Newcastle-under-Lyme Retail & Leisure Study 2011

Newcastle-under-Lyme Borough Council

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Executive Summary

Purpose of the Study

Newcastle-under-Lyme Borough Council commissioned Nathaniel Lichfield & Partners to prepare a Borough wide assessment of the future need for additional retail, commercial leisure facilities and other town centre uses for the main town centres of Newcastle-under-Lyme and Kidsgrove. The study updates the North Staffordshire Retail and Leisure Study (2005 – 2021) for the Newcastle administrative area. The study is informed by:

- a telephone survey of 500 households across the Borough and parts of neighbouring authorities within the catchment area of its retail facilities;
- a survey of 150 visitors within Newcastle-under-Lyme and Kidsgrove town centres;
- a business occupier survey of over 400 commercial businesses in Newcastle-under-Lyme and Kidsgrove town centres; and
- a postal canvas of over 300 national/regional multiple retailers and leisure operators, in order to ascertain their potential space requirements in the Borough.

The Potential for Retail Development

Convenience Retailing

An assessment of available expenditure and existing shopping patterns suggests that existing convenience retail floorspace in Newcastle-under-Lyme Borough is trading at above expected levels at 2011.

In quantitative terms, the assessment indicates immediate capacity for additional convenience floorspace in Newcastle-under-Lyme, and increasing capacity over the period to 2026.

CENTRE	CONVENIENCE CAPACITY			
	AT 2011	BY 2016	BY 2021	BY 2026
	sq. m (net)	sq. m (net)	sq. m (net)	sq. m (net)
Newcastle-under-Lyme	535	1,142	1,623	2,154
Kidsgrove	47	127	253	393
Elsewhere in the Borough	870	915	1,129	1,366

The immediate capacity identified is sufficient to support a small format foodstore or an extension to an existing store to increase the convenience retail offer. By 2016, there is sufficient capacity for a foodstore of the size operated by discount retailers Aldi and Lidl. In the longer term, the capacity identified is sufficient to support a medium-sized foodstore capable of performing a bulk food shopping role.

Comparison Retailing

An assessment of available expenditure and existing shopping patterns suggests that a significant amount of comparison goods expenditure in the study area is spent at shopping centres outside the Borough, and residents choose to use shopping destinations including Stoke-on-Trent (Hanley), Market Drayton and Telford. Newcastle-under Lyme town centre is the main comparison shopping destination in the Borough.

Trading levels vary within the Borough, with Newcastle-under-Lyme and Kidsgrove town centres appearing to be trading relatively healthily. Freeport is not used by residents of the Borough as a principal destination for comparison goods shopping and is appropriately considered as a leisure destination with a much broader catchment area than the Borough centres.

Major retail development in the Borough could change existing shopping patterns and could reduce comparison expenditure leakage. Conversely improvements in competing centres may increase expenditure leakage from the Borough. The capacity for additional comparison retail floorspace is summarised in the table below.

CENTRE	COMPARISON CAPACITY			
	AT 2011	BY 2016	BY 2021	BY 2026
	sq. m (net)	sq. m (net)	sq. m (net)	sq. m (net)
Newcastle-under-Lyme	2,700	5,661	9,836	14,912
Kidsgrove	358	620	984	1,430
Elsewhere in the Borough	-	-	2,258	5,012

The quantum of floorspace for which capacity is identified could be accommodated wholly by the redevelopment of the Ryecroft site (former Sainsbury's, and potentially including existing Civic Offices), if this is taken forward as a high-density, wholly comparison retail scheme.

Commercial Leisure, Entertainment and Cultural Facilities

A limited range of leisure, entertainment and cultural facilities are available within the Borough, including the Vue cinema in Newcastle-under-Lyme town centre. Residents also have easy access to facilities in surrounding authority areas, particularly in Stoke-on-Trent (Hanley). There is identified capacity for additional cinema space to increase customer choice, as well as a tenpin bowling alley, which might be viable commercially as a composite part of a wider leisure or mixed use development. However, planned development in neighbouring authorities, such as the East-West precinct redevelopment in Stoke-on-Trent city centre (Hanley) may limit potential for additional cinema screens in Newcastle-under-Lyme.

The Hierarchy and Role of Newcastle-under-Lyme and Kidsgrove

Newcastle-under-Lyme is the principal and dominant retail destination in the Borough and should continue in this role. Kidsgrove complements Newcastle-under-Lyme town centre by providing for convenience foods shopping, day-to-day comparison shopping facilities and services. Other shopping facilities outside of these main centres should cater for top-up food and ancillary comparison shopping and services.

Newcastle-under-Lyme Town Centre

Strengths

- A compact Primary Shopping Area (PSA), with High Street, Ironmarket and Castle Walk providing a well-maintained pedestrianised focus for the town centre.
- Regular markets on High Street provide a focal point for the community.

Weaknesses

- A number of areas fronting the ring road contain derelict or poorly maintained buildings, creating an unattractive gateway to the centre.
- Major foodstores are located outside the PSA and are poorly connected with the centre due to topography and the ring road.

Kidsgrove Town Centre

Strengths

- A diverse range of public services including the Town Hall and library are provided within a compact area.
- Low vacancy rate, with a low proportion of vacant units and floorspace.

Weaknesses

- The centre is divided by a greenway which currently acts as a barrier, although this could be improved upon.
- There is no anchor foodstore in the town centre, although Tesco operates a bulk foodstore on the outskirts of the town.

Future Strategy Implementation and Monitoring

There are a number of broad areas of possible actions the Council could pursue in order to maintain and enhance the vitality and viability of shopping centres within the Borough, as follows:

- application of guidance within PPS4, particularly relating to impact and the sequential approach in determining out-of-centre retail and other development proposals that generate significant numbers of trips;
- take measures to bring forward development opportunities, particularly the former Sainsbury's site at Ryecroft to improve the availability of modern premises suitable for new occupiers.
- adopt floorspace thresholds for Newcastle-under Lyme (1,000 sq.m gross and above) and Kidsgrove (500 sq. m gross and above), against which the impact of edge-of-centre and out-of-centre applications should be assessed;
- review the extent of the Newcastle-under-Lyme town centre boundary and condense the primary shopping frontage. Consideration should also be given to the introduction of a secondary shopping frontage to provide stronger guidance over the primary shopping area; and
- define locally important impacts on centres which should be tested for all proposals for edge-of-centre and out-of-centre retail. Such locally important impacts could include the potential impact upon the deliverability and viability at Ryecroft and the 'market town' character of Newcastle-under-Lyme town centre.

The recommendations and projections within this study are expected to assist the Council in preparing development plan policies over the coming years and to assist development control decisions during this period.

Contents

Tables

Appendices

Glossary

Benchmark Turnover	Expected turnover of existing retail floorspace based on national averages which the identified available expenditure can be measured against.
Class A1	Commercial units classed as retail or shop uses within the Use Classes Order.
Class A1 Services	Non-retail uses classed as A1 within the Use Classes Order, such as hairdressers, travel agents and dry cleaners.
Class A2	Commercial units classed as financial or professional services, for example banks and building societies, within the Use Classes Order.
Class A3/A4/A5	Commercial units classed as food or drink outlets, for example pubs, restaurants and takeaways, within the Use Classes Order.
Convenience Goods	Consumer goods purchased on a regular basis, including food and groceries and cleaning materials.
Comparison Goods	Durable goods such as clothing, household goods, furniture, DIY and electrical goods.
Dodona Research	A consulting firm specialising in the cinema industry.
Experian	A data consultancy who are widely used for retail planning information.
EGi	A published source of information providing known retail and leisure operators' space requirements in towns across the country.
Goad Plans	Town centre plans prepared by Experian, which a based on occupier surveys of over 1,200 town centres across the country.
Gross floorspace	Total external floorspace including exterior walls.
Market share	The proportion of total consumer expenditure within a given area taken.

MHE	Management Horizons Europe (MHE) Retail Shopping Index is a database of over six thousand retail locations that enables the user to rank and sort the UK's shopping venues against a range of different criteria (including market size; location type; market position; and sector
Multiple traders	National or regional 'chain store' retailers.
Net floorspace	Retail floorspace devoted to the sale of goods, excluding storage space.
Zone A Rent	The annual rental charge per square foot for the first 20 foot depth of a shop unit, which is the most suitable measure for standardising and comparing rental levels.

1.0 Planning for Newcastle-under-Lyme Town Centres

1.1 Newcastle-under-Lyme Borough Council commissioned Nathaniel Lichfield & Partners (NLP) to complete a retail and leisure study, compliant with the requirements of Planning Policy Statement 4 (2009) ‘Planning for Sustainable Economic Growth’. This 2011 Study updates the update the North Staffordshire Retail and Leisure Study (2005 – 2021), for the Newcastle administrative area.

1.2 The objective of this Study is to provide a robust retail and leisure evidence base to inform preparation of the Local Development Framework, Supplementary Planning Documents (SPDs) and management plans for individual town centres. The Study is written to inform policy development across the Borough but focuses specifically upon Newcastle-under-Lyme and Kidsgrove town centres. The Study:

- assesses the vitality and viability of the Newcastle-under-Lyme and Kidsgrove town centres;
- provides up to date advice on the market demand and capacity for additional convenience and comparison retail floorspace and commercial leisure facilities in the Borough up to 2026; and
- advises on how to meet any identified quantitative and qualitative need for new convenience and comparison retail floorspace and leisure floorspace up to 2026.

1.3 In the Study: Section 2.0 provides an overview of retail and commercial leisure trends; Section 3.0 summarises national and local planning policy; Section 4.0 details new empirical research; Section 5.0 provides an overview of retail performance; Section 6.0 provides an overview of town centre health; Section 7.0 considers the need for new retail floorspace; Section 8.0 assesses the scope for new leisure facilities; Section 9.0 appraises development sites; Section 10.0 considers boundaries and frontages and impact assessment thresholds and local impact tests; and Section 11.0 presents conclusions and recommendations.

2.0 # Retail and Commercial Leisure Trends

Retail Trends

2.1 Past retail trends indicate that expenditure has consistently grown in real terms in the past, generally following a cyclical growth trend. The underlying trend shows consistent growth and is expected to continue in the future. However, the current economic downturn has caused a slow down of growth and this slow growth rate is expected to lead to limited growth over the next few years.

2.2 In the past, expenditure growth has fuelled the growth in retail floorspace, including major out-of-centre development in the 1980s and 1990s. The economic downturn suggests that growth during the past few years has slowed and a return to previous levels of growth is unlikely to be achieved in the short term. However, the underlying trend over the medium and long term is expected to lead to a need for further retail floorspace. NLP anticipates these national trends will be mirrored in Newcastle-under-Lyme Borough.

2.3 New forms of retailing have emerged in recent years as an alternative to more traditional shopping facilities. Home/electronic shopping has also emerged with the increasing growth in the use of personal computers and the internet. Smart phone technology, Apps and QR (Quick Response) codes are set to increase the proportion of shopping transactions undertaken remotely. Trends within this sector will have implications for retailing within Newcastle-under-Lyme. The growth in home computing, smart phone usage and interactive TV is likely to lead to a growth in remote shopping and will have further effects on retailing in the high street.

2.4 On-line shopping has experienced rapid growth since the late 1990s but in proportional terms the latest available data suggests it remains an insignificant percentage of total retail expenditure. Recent trends suggest continued strong growth in this sector. However, there is still uncertainty about its longer-term prospects and the potential extent of effects on the high street. Experian has recognised the potential impact of retailing on the high street and has provided future projections. Experian's Retail Planning Note 2.3D (Dec 2005) (page 1) states:

"The current scale and scope for the expansion of the selling of retail goods over the internet (e-tailing) has increasingly become an issue in retail planning… A major uncertainty, however, concerns projected growth rates…goods sold over the internet may still come from conventional retail outlets (i.e. sales made over the internet may still be taken from shelves of normal shops), so there is an additional uncertainty over e-tailing's precise impact on current and future space requirements."

2.5 This commentary is equally applicable to smart phone technology.

2.6 In addition to new forms of retailing, retail operators have responded to changes in customers' requirements. For example, extended opening hours and Sunday trading increased significantly in the 1990s. Retailers also responded to stricter planning controls by changing their trading formats. Some major food operators have introduced smaller store formats capable of being accommodated within town centres, such as the Tesco Metro, Sainsbury Local and Marks & Spencer Simply Food formats. Asda has moved into the smaller store market through the acquisition of Netto. Food operators have also entered the local convenience store market, for example Tesco Express and convenience stores linked with petrol filling stations. The entrance of European discount food operators such as Aldi and Lidl has also been rapid during the last decade, and this trend has been evident within Newcastle-under-Lyme Borough i.e. Aldi in Kidsgrove and Lidl in Newcastle-under-Lyme.

2.7 Food store operators also have a rolling programme of store extensions and reinvigorating, particularly Tesco, Sainsbury and Asda. These operators, faced with limited growth in food expenditure, have attempted to increase the sale of non-food products within their food stores, including clothing and electrical goods.

2.8 Comparison retailers have also responded to recent market conditions. The bulky goods retail warehouse sector has rationalised and there have been a number of mergers. There are now fewer DIY operators, following the acquisition of Do It All, Great Mills and Wickes by Focus DIY (which went into administration in May 2011). B&Q and Homebase developed very large ‘category killer’ retail warehouses (some exceeding 10,000 sq m gross), but more recently have scaled down or closed their stores. Other traditional high street retailers have sought large out-of-centre stores, for example Boots, TK Maxx and Poundstretcher. Matalan has also opened numerous discount clothing stores across the country. Sports clothing retail warehouses including JJB Sports and Decathlon have also expanded out-of-centre.

2.9 The economic downturn has had, and is likely to continue to have, an impact on the retail sector, with Habitat, Thorntons, Jane Norman and TJ Hughes recent notable victims. Many town centre development schemes have been delayed and the demand from traditional retail warehouse operators has also been affected. Even some of the main food store operators have seen a reduction in growth.

2.10 Within town centres, some high street multiple comparison retailers have changed their format. High street national multiples have increasingly sought larger modern shop units (200 sq m +) with an increasing polarisation of activity into the larger regional and sub-regional centres. The continuation of these trends may also influence future operator requirements in Newcastle-under-Lyme. National multiples may prefer to locate in the sub-regional centre Stoke-on-Trent City Centre (Hanley) or regional centres further afield, which may constrain demand in Newcastle-under-Lyme.

2.11 Factory outlet centres (FOCs) have been developed across the country as an alternative to fashion shops within town centres. These developments are usually large and can provide over 10,000 sq m of comparison retailing, focusing primarily on fashion items and clothing, offering designer clothing at discounted prices. A number of FOCs have emerged across Great Britain and draw from a wide catchment area. The Freeport Outlet Mall at Talke is an example of the FOC business model, albeit in recent years more high-street retailers have located at Freeport.

Leisure Trends

2.12 The demand for commercial leisure facilities has increased significantly during the last 20 years. The growth in the commercial leisure sector was particularly strong during the late 1980s and again in the mid 1990s. Average household expenditure on leisure services increased in real terms by 93% between 1984 and 1995 (source: Family Expenditure Survey), and by a further 48% between 1995 and 2005. However growth has been more limited since 2005. The latest (2008) average household expenditure on leisure services is nearly £3,400 per annum. However, many analysts consider that the commercial leisure market has now reached saturation in some sub-sectors, such as bingo, multiplex cinemas and tenpin bowling. The economic downturn since 2008 will have curbed further growth in leisure spending as the leisure sector is an early casualty of reduced disposable income.

2.13 The mid-1990s saw the expansion of major leisure parks. These leisure parks are generally anchored by a large multiplex cinema and offer other facilities such as ten-pin bowling, bingo, nightclubs, health/fitness clubs, themed destination restaurants, pub/restaurants, children's nurseries and budget hotels. Commercial leisure facilities have typically been located on the edge of town centres or out-of-centre, with good road access. Many leisure uses have also emerged on retail warehouse parks. This type of development in the sub-region is most evident in Stoke-on-Trent and less of a feature in Newcastle-under-Lyme.

2.14 The cinema market remains an important sector as cinemas often anchor leisure developments and provide footfall for other uses. However, growth in this sector has slowed significantly in recent years with many areas reaching saturation levels. Many cinema operators have suspended or curtailed their expansion plans. Some cinema operators such as City Screen, Mainline Pictures and Reel Cinemas have opened new or taken over small cinemas in recent years. The expansion of other sectors has slowed, including ten-pin bowling and bingo. The private health and fitness market has remained strong, with a number of multiple operators seeking premises across the UK, including DW Health and Fitness, LA Fitness, Fitness First and Esporta. Nevertheless, the health and fitness sector is also reaching saturation point in some areas and is affected by the current down turn in the economy and squeeze on disposable income

3.0 # Planning Policy Context

National Retail Planning Policy

3.1 PPS4: Planning for Sustainable Growth was published on 29 December 2009 and sets out the Government's policies for economic development, replacing PPG4, PPG5, PPS6 and parts of PPS7 and PPG13. PPS4 places retail and town centre development in its wider context, as "economic development", which is anything that provides employment opportunities, generates wealth or produces an economic output or product.

3.2 Paragraph 7 of PPS4 identifies main town centre uses as:

- retail (including warehouse clubs and factory outlet centres);
- leisure, entertainment facilities and the more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, night-clubs, casinos, health and fitness centres, indoor bowling centres and bingo halls);
- offices; and
- arts, culture and tourism (theatres, museums, galleries and concert halls, hotels and conference facilities).

Using Evidence

3.1 As with its predecessor PPS6, the emphasis of PPS4 remains on the "plan-led" approach and the need to base regional and local plan policies on a robust evidence base. The volume and detail of the evidence gathered should be proportionate to the importance of the issue. At the local level, Policy EC1.3 states that the evidence base should:

a be informed by regional assessments[1];

b assess the detailed need for land or floorspace for economic development, including for all main town centre uses over the plan period;

c identify any deficiencies in the provision of local convenience shopping and other facilities which serve people's day-to-day needs;

d assess the existing and future supply of land available for economic development, ensuring that existing site allocations for economic development are reassessed against the policies in this PPS, particularly if they are for single or restricted uses. Where possible, any reviews of land available for economic development should be undertaken at the same time as, or combined with, strategic housing land availability assessments; and

[1] Now overridden by the demise of Regional Strategies.

e assess the capacity of existing centres to accommodate new town centre development taking account of the role of centres in the hierarchy and identify centres in decline where change needs to be managed.

3.2 Specifically in relation to retail and leisure development, Policy EC1.4 requires local planning authorities to take account of both the qualitative and quantitative need for additional floorspace for different types of retail and leisure developments.

3.3 When assessing quantitative need, relevant market information and economic data should be taken into consideration, including a realistic assessment of existing and forecast population levels, forecast expenditure for specific classes of goods to be sold, within the broad categories of convenience and comparison goods and for main leisure sectors, and forecast improvements in retail sales density.

3.4 In terms of qualitative need, assessments should consider whether there is provision and distribution of shopping, leisure and local services, which allow genuine choice to meet the needs of the whole community. In deprived areas, which lack access to a range of services and facilities, additional weight should be given to meeting these qualitative deficiencies. Assessments should also take into account the degree to which shops may be overtrading and whether there is a need to increase competition and retail mix.

Plan Making

3.5 Policy EC2.1 identifies the issues that regional planning bodies and local planning authorities are required to address within their development plan, including:

- setting out a clear economic vision and strategy for their area which positively and proactively encourages sustainable economic growth, identifying priority areas with high levels of deprivation that should be prioritised for regeneration investment;
- seeking to make the most efficient and effective use of land, prioritising previously developed land which is suitable for re-use and reflects the different location requirements of businesses;
- identifying a range of sites, to facilitate a broad range of economic development, including mixed use. Existing site allocations should not be carried forward from one version of the development plan to the next without evidence of the need and reasonable prospect of their take up during the plan period. If there is no reasonable prospect of a site being used for the allocated economic use, the allocation should not be retained, and wider economic uses or alternative uses should be considered;
- encouraging new uses for vacant or derelict buildings, including historic buildings; and

- considering how sites for different business types can be delivered, including by the use of compulsory purchase to assemble sites and other planning tools including area action plans, simplified planning zones and local development orders.

3.6 Specifically in relation to planning for centres, Policy EC3 requires local planning authorities to set a strategy for the management and growth of centres over the plan period. As part of this strategy, LPAs should set flexible policies for their centres, which are able to respond to changing economic circumstances and encourage, where appropriate, high-density development accessible by public transport, walking and cycling.

3.7 LPAs are also required to define a network and hierarchy of centres, to meet the need of their catchments. In addition, at the local level there is a requirement to:

a define the extent of the centre and the primary shopping area, having considered distinguishing between realistically defined primary and secondary frontages in designated centres and set policies that make clear which uses will be permitted in such locations;

b consider setting floorspace thresholds for the scale of edge-of-centre and out-of-centre development which should be subject to an impact assessment and specify the geographic areas these thresholds will apply to;

c define any locally important impacts on centres which should be tested;

d encourage residential or office development above ground floor retail, leisure or other facilities within centres, ensuring that housing in out-of-centre mixed-use developments is not, in itself, used as a reason to justify additional floorspace for main town centre uses in such locations;

e identify sites or buildings within existing centres suitable for development, conversion or change of use; and

f use tools such as local development orders, area action plans, compulsory purchase orders and town centre strategies to address the transport, land assembly, crime prevention, planning and design issues associated with the growth and management of their centres.

3.8 Policy EC4.1 requires LPAs to proactively plan to promote competitive town centre environments and provide consumer choice. There is also a requirement for LPAs to manage the evening and night-time economy in centres (Policy EC4.2), including policies to encourage a range of complementary evening and night-time uses, and setting out the number and scale of leisure developments they wish to encourage, taking into account the potential impact on the character and function of a centre.

3.9 Policy EC5.1 requires LPAs to identify an appropriate range of sites to accommodate the identified need for main town centre uses, ensuring that sites are capable of accommodating a range of business models in terms of scale, format, car parking provision and scope for disaggregation. The Policy states that an apparent lack of sites of the right size and in the right location should not be a reason for LPAs to avoid planning to meet the identified need for development. In undertaking the site selection process, LPAs should:

a base their approach on the identified need for development;

b identify the appropriate scale of development, ensuring that the scale of the sites identified and the level of travel they generate, are in keeping with the role and function of the centre within the hierarchy of centres and the catchment served;

c apply the sequential approach to site selection;

d assess the impact of sites on existing centres; and

e consider the degree to which other considerations such as any physical regeneration benefits of developing on previously-developed sites, employment opportunities, increased investment in an area or social inclusion, may be material to the choice of appropriate locations for development.

3.10 In relation to the sequential approach to site selection, Policy EC5.2 confirms the LPAs should identify sites that are suitable, available and viable in the following order:

1 locations in appropriate existing centres where sites or buildings for conversion are, or are likely to become, available within the plan period

2 edge-of-centre locations, with preference given to sites that are or will be well-connected to the centre

3 out-of-centre sites, with preference given to sites which are or will be well served by a choice of means of transport and which are closest to the centre and have a higher likelihood of forming links with the centre.

3.11 In terms of assessing the impact of proposed locations for development, Policy EC5.4 requires LPAs to take into account the impact considerations set out in Policy EC16 (see below), and ensure that proposed sites in a centre which would substantially increase the attraction of that centre and could have an impact on other centres are assessed for their impact on those centres.

3.12 Once sites are identified for development, Policy EC5.5 states that LPAs should allocate sufficient sites in development plan documents to meet at least the first five years identified need, where appropriate including policies for phasing and release of sites.

National Planning Policy Framework

3.13 In advance of the publication of a Draft National Planning Policy Framework (NPPF) Greg Clark MP issued a Ministerial Statement on ‘Planning for Growth’ in March 2011. The statement established that the default answer to proposals for development and growth should, wherever possible, be ‘yes’, except where it would compromise key sustainable development principles. The statement highlights the need for local authorities to plan positively for development, by seeking to identify and meet need and responding positively for opportunities for growth. The content of the statement, particularly the need to secure economic growth and employment are to be taken into account in the determination of planning applications.

3.14 The NPPF will provide national planning guidance, once adopted, replacing existing PPG's and PPS's. A draft of the document was published for consultation on 25 July 2011, with consultation occurring until 17 October 2011. Advice from PINS indicates that the draft document can be a material consideration, depending on the context. Weight is only likely to be applied to key areas of change, with the most significant being the presumption in favour of sustainable development. Adoption of the NPPF is expected in 2012.

3.15 The draft NPPF establishes a presumption in favour of sustainable development, stating that the planning system should not act as an impediment but support economic growth. It states that all Local Plans should be prepared on this basis, with clear policies to guide how the presumption will be applied. They should identify the needs of an area and respond positively to opportunities for growth, including allocating sufficient, suitable land for development. Strategic policies for the provision of retail, leisure and other commercial development should be included.

3.16 The document stipulates that the evidence base should be used to set quantitative and qualitative requirements for land or floorspace for economic development, including retail and leisure uses. Such an assessment should include the role and function of town centres, and the capacity of existing centres to accommodate new town centre development.

3.17 The NPPF requires planning policies to promote positive and competitive town centres. Policies should:-

1 Support the vitality and viability of town centres;
2 Define a network and hierarchy of centres;
3 Set out primary and secondary shopping areas;
4 Encourage town centre residential development;
5 Allocate sites to meet identified needs, both in and on the edge of centres, potentially through town centre expansion and where this is not possible in other accessible locations; and
6 Set specific guidelines for retail and leisure proposals that cannot be accommodated in or adjacent to town centres.

3.18 The NPPF reiterates the sequential approach to site assessment. Retail and leisure proposals not in accordance with an up to date Local Plan and over 2,500 sq. m, where a local threshold has not been set, are to be assessed for impact on existing, committed and planned investment in centres and the vitality and viability of centres.

Regional Strategy

3.19 In July 2010, the Government revoked Regional Strategies outside of London. A High Court judgement, following a court case brought by Cala Homes, ruled this to be unlawful and quashed the revocation. The Regional Strategy (RS) for the West Midlands therefore remains part of the Development Plan. However, it is the Government's intention to abolish RS once the Localism Bill gains Royal Assent and no further reference to the Regional Strategy is made here.

Staffordshire and Stoke-on-Trent Structure Plan 1996-2011

3.20 The Staffordshire and Stoke-on-Trent Structure Plan identifies Newcastle-under-Lyme as a Large Town Centre and Kidsgrove as a Smaller Town Centre/Urban District Centre. The status of Newcastle-under-Lyme as a Larger Town Centre means that it can be expected to attract substantial investment including edge-of-centre retail development, and leisure schemes such as cinemas and night clubs.

3.21 Policy TC1 states that the vitality and viability of town centres should be sustained and enhanced, and the use of town centres should be increased through a number of measures.

Newcastle-under-Lyme Local Plan 2011

3.22 The Newcastle-under-Lyme Local Plan 2011 was adopted in October 2003. In line with the requirements of the Planning and Compulsory Purchase Act (2004), ahead of the preparation of a Local Development Framework, some policies contained within the UDP were saved beyond September 2007 for development control purposes. Only policies saved under the Secretary of State's direction are referred to below.

3.23 Policies R12 and R13 relate to Kidsgrove town centre. Development for retail or leisure within or close to the town centre is encouraged where it would not harm town centre vitality and viability.

3.24 Development of retail or leisure uses and proposals for non-retail uses in the district centres of Chesterton, Silverdale and Wolstanton are dealt under Polices R14 and R15. R14 encourages retail and leisure development in or adjacent to district centres where it is appropriate in scale and will not harm vitality and viability. R15 requires proposals for the change of use of A1 units or developments for 3 or more shops to assess impacts on the range of goods and services in the locality, including the cumulative impact of existing developments.

3.25 There are no saved policies relating to Newcastle-under-Lyme town centre.

Newcastle-under-Lyme Town Centre SPD

3.26 The Newcastle-under-Lyme Town Centre Supplementary Planning Document (SPD) was adopted in January 2009 to guide planning and land uses for the town centre in response to development pressure. The area covered by the SPD extends beyond the Town Centre core.

3.27 The vision for Newcastle-under-Lyme town centre is based upon realising its potential to become a university and market town which provides high quality retail, service and business offers, complementary to the neighbouring strategic centre of Stoke-on-Trent (Hanley). The SPD sets a framework against which proposals can be assessed and provides clear guidance on design, which is a key issue for regeneration in North Staffordshire.

Local Development Framework

3.28 Newcastle-under-Lyme Borough Council is in the process of preparing its Local Development Framework (LDF) in line with the provisions of the Planning and Compulsory Purchase Act 2004. When adopted, the LDF will replace saved polices in the Local Plan as the statutory local planning document.

3.29 The Newcastle-under-Lyme and Stoke-on-Trent Core Spatial Strategy (2006 to 2026) was prepared jointly with Stoke-on-Trent City Council and sets out a broad framework for the future development of the whole of Newcastle-under-Lyme and Stoke-on-Trent Borough. The document was adopted by Newcastle-under-Lyme Borough Council in October 2009.

3.30 The Core Strategy identifies a hierarchy of centres within which Newcastle-under-Lyme town centre is defined as a Strategic Centre, along with Stoke-on-Trent City Centre (Hanley). The Strategic Centres should be the primary focus for major retail developments, major cultural, tourist, social and community venues and large scale leisure and office development.

3.31 Kidsgrove is defined as one of ten Significant Urban Centres which will play a complementary role to the two Strategic Centres, primarily providing retail and services to meet local needs.

3.32 Policy SP1 focuses retail and office development in Newcastle-under-Lyme town centre. Development in other centres will be of a nature and scale appropriate to their role within the hierarchy of centres.

3.33 Policy ASP4 sets out the spatial policy for the Newcastle-under-Lyme town centre area. It specifies the amount of additional comparison retail floorspace to be provided over the plan period, which is deemed as appropriate in terms of the role of the town centre (25,000 sq. m to 2021 and a further 10,000 sq. m to 2026). Proposals will also provide for 60,000 sq. m gross of additional office floorspace within, or on the edge of the town centre, to accommodate new employment of a type in keeping with the role of the town centre.

3.34 Policy ASP4 goes on to state that Newcastle-under-Lyme town centre will continue to develop as a complementary service centre to Stoke-on-Trent City Centre (Hanley), providing a strong retail offer, a strengthened financial and professional sector, and as a focus for new leisure and residential opportunities.

3.35 The Council is currently gathering evidence to support and inform the proposed Site Allocations and Policies DPD. It is envisaged that an options paper will be consulted on by the end of 2011.

4.0 # New Research: 2011 Surveys

Telephone Household Survey

4.1 In June 2011 NEMS Market Research carried out a telephone survey of 500 households across a study area encompassing the entire Borough, extending east into Stoke-on-Trent and south and west into Shropshire. The Study Area is divided into five sub-zones. Zones 1 to 4 replicate Zones 2 (Newcastle), 4 (Stoke) and 7 (Kidsgrove) of the 2005 Study, with the 2005 Newcastle zone (Zone 2) divided into East and West sectors. Zone 5 covers the rural south of the Borough.

4.2 The plan at Appendix 1 illustrates the extent of the Study Area and its division by post-code sector.

Table 4.1 Study Area Survey Zones

Survey Zone	Post Code Sectors
1. Newcastle East	ST5 (all sectors)
2. Newcastle West	ST7/8, CW3/9
3. Kidsgrove	ST7/1, ST 7/4
4. Stoke	ST4/1, ST4/4 to ST4/8
5. Rural South	TF9/2, TF9/4

4.3 The 2011 household survey questionnaire is similar to that used in the 2005 Study to allow for comparison of change over time. Appendix 2 includes the questionnaire and raw results of the household survey. Commentary on shopping patterns is provided in Section 5.0 and the results inform the capacity assessments at Section 7.0 and Section 8.0.

In-Centre Surveys

4.4 An in-street survey of 100 visitors to Newcastle-under-Lyme town centre and 50 visitors to Kidsgrove town centre was undertaken to provide information on the role each town centre plays, and the reasons why visitors come to each centre. Visitors were asked a range of questions relating to their use of the centre and their views on how the centres could be improved. These results have provided valuable information, which has been used in the town centre health checks completed as part of this study.

4.5 Appendix 3 includes the questionnaire and raw results of the in-street survey undertaken in Newcastle-under-Lyme and Kidsgrove. Analysis of the results is provided at Appendix 4, within the Borough Overview, assessment of health and vitality and viability assessments for the two towns.

Business Surveys

4.6 A business occupier's survey was distributed to commercial businesses in Newcastle-under-Lyme (325 no.) and Kidsgrove (90 no.). The business survey analyses:

- origin of and nature of trade (for shops and leisure uses);
- future plans (relocation, extension, re-fits or closure);
- views on current and likely future business performance;
- constraints affecting business performance;
- views on the strengths/weaknesses of the town as a place for work and business;
- the need for better small business support; and
- suggested improvements.

4.7 Appendix 5 includes the questionnaire and raw results and analysis of these. Commentary is provided in the summary of town centre health at Section 6.0.

Operator Demand Questionnaire

4.8 A short questionnaire was sent to 310 retail/leisure/hotel/restaurant operators in June 2011, including those listed by EGI, and others who might reasonably be expected to be located in towns within Newcastle-under-Lyme Borough. The survey also included operators currently represented who may have plans to expand. The questionnaire examined:

- operators' perceptions of Newcastle-under-Lyme and Kidsgrove town centres;
- potential space requirements;
- the availability and need for premises and sites; and
- changes that would be required to make the centres more attractive.

4.9 Appendix 6 includes the questionnaire and raw results and analysis of these. Commentary is provided in the summary of town centre health at Section 6.0.

5.0 # Retail Performance and the Shopping Hierarchy

The Sub-Region

5.1 The Borough Overview at Appendix 4 includes the sub-regional retail hierarchy, based upon Management Horizons' (MHE) Index of 2008. The MHE Index ranks Newcastle-under-Lyme 258th nationally, behind Stoke-on-Trent (73rd), Crewe (132nd) and Stafford (139th). Newcastle-under-Lyme is considered to be a Major District centre (MHE terminology) whilst Stoke-on-Trent is a Regional centre and both Crewe and Stafford are Sub-Regional centres. Birmingham is the highest ranked centre within the wider region, ranked 3rd nationally and identified as a Major City centre by MHE.

5.2 Kidsgrove is ranked 1535th of the centres in the UK and is identified as a Local centre by MHE. This places it beneath Congleton (434th), Longton (361st) and Tunstall (511th).

Household Shopping Patterns

5.3 The plan at Appendix 1 illustrates the Study Area adopted and the five sub-zones. Zone 5 is further divided into Zone 5a and Zone 5b, as Zones 1, 2, 3 and 5a approximate to the Newcastle-under-Lyme Borough boundary. The analysis of the household telephone survey excludes 'internet'/'mail-order' responses and 'don't know/'don't buy' answers.

5.4 Typical convenience shopping habits result in the utilisation of a number of destinations for convenience goods purchases. The household survey reflects this by querying primary main food destination, secondary main-food destination and top-up shopping destination. The analysis of the household survey assumes that 50% of available expenditure is directed to primary main-food destinations, 20% is directed to secondary main-food destinations and 30% is directed to top-up shopping destinations. The split between main-food and top-up shopping is informed by Experian demographic information and local retail characteristics. There is not a set formula for splitting expenditure by primary, secondary and top-up destinations but the NLP approach is robust and reflective of standard practice in the completion of retail studies and town centre studies.

5.5 The comparison retail spending power of the Study Area is split amongst categories of goods. The division of comparison goods spending power is:

- Clothing and Footwear – 25%;
- Domestic Electrical Appliances ('White Goods') – 4%;
- Other Electrical Goods including TVs/Music Systems/Computers – 12%;
- Furniture and Floor Coverings – 12%;
- DIY – 11%;
- Health and Beauty – 11%; and

- Books, CDs and Toys – 25%.

5.6 The proportion of expenditure directed to different categories of goods is informed by Experian demographic information. In common with the convenience goods assessment, there is not a set formula for splitting expenditure amongst different categories of goods but the NLP approach is robust and reflective of standard practice in the completion of retail and town centre studies.

5.7 The analysis below is based upon interviewees' responses to detailed questioning about: main food (primary and secondary destinations) and top up food shopping; and comparison shopping across the seven categories of goods. The analysis provides commentary on overall food and non-food shopping patterns.

5.8 The survey results at Appendix 2 provide details of responses to questions querying primary main-food, secondary main-food and top-up shopping patterns and shopping patterns across the seven categories of comparison goods.

5.9 The statistical tables at Appendix 7 combine the main-food and top-up shopping patterns, to arrive at overall convenience shopping patterns in the Borough. The same approach is adopted for the comparison retail sector, where shopping patterns across goods categories are combined to provide an overall picture of comparison shopping patterns. The approach adopted is consistent with PPS4 and the goods based approach to assessing retail patterns.

5.10 The survey area adopted covers Newcastle-under-Lyme Borough and parts of surrounding Stoke-on-Trent and Shropshire. Drawing the survey area beyond the administrative boundary means that the statistical assessment is based upon recorded shopping patterns in surrounding administrative areas and is less reliant upon making an allowance for in-flow into the Borough.

5.11 The Study Area is post-code sector based and as such does not follow administrative boundaries precisely, although Zones 1 to 3 largely relate the Newcastle-under-Lyme Borough boundary. Zone 4 is outside of the Borough and Zone 5 is part within and part outside the Borough.

5.12 In order to assess the proportion of expenditure generated within Newcastle-under-Lyme Borough that is retained within the administrative area, Zone 4 is excluded from the analysis below and Zone 5 is split into Zone 5a and 5b to differentiate between those residents living within the Borough boundary and those living outside of it.

Comparison Retail Shopping Patterns

5.13 Market shares for Newcastle-under-Lyme Borough in the comparison sector are:

Table 5.1 Comparison Retail Market Share in Newcastle-under-Lyme Borough

Centre	Market Share
Newcastle-under-Lyme In-Centre	32.2%
Kidsgrove In-Centre	1.7%

Other destinations in Newcastle-under-Lyme Borough	10.6%
Newcastle-under-Lyme Borough Total	44.5%
Leakage	55.5%

Source: NEMS Household Survey June 2011

5.14 Over half of the comparison retail expenditure generated in the Borough is directed to destinations outside of it. The greatest proportion of leakage (18.9% market share) is to Stoke-on-Trent City Centre (Hanley), followed by Festival Retail Park and Festival Heights, Stoke-on-Trent (14.6% market share). The remaining leakage to other destinations is widely dispersed, although totals over 20% of expenditure generated. Table 14 at Appendix 7 provides further details.

5.15 The market share of the Borough varies considerably across the five zones. In Zone 1: Newcastle East, the retention rate is 53.3%, the majority of which retained in Newcastle-under-Lyme town centre. Conversely, in Zone 3: Kidsgrove, the retention rate is 28.7%. Leakage from the Kidsgrove area is primarily to Stoke-on-Trent City Centre (Hanley).

5.16 The majority of spending on comparison retail goods in zones outside of Newcastle-under-Lyme Borough (Zones 4 and 5b) is directed to locations outside of the Borough and there is a limited in-flow of expenditure. In Zone 4 (in Stoke-on-Trent Borough), locations outside of Newcastle-under-Lyme Borough account for 85.1% of expenditure, with the greatest proportion of spending directed to Stoke-on-Trent City Centre (Hanley). In-flow to Newcastle-under-Lyme Borough is 14.9%. 97.2% of expenditure from Zone 5b (in Shropshire Council administrative area) is directed to destinations outside of the Borough and in-flow is only 2.8%. The greatest proportion of this expenditure is directed to Market Drayton town centre, followed by Telford town centre.

5.17 The retention rate of Newcastle-under-Lyme is compared with centres considered to be of a similar size by Management Horizons (MHE Shopping Index 2008) and with a comparative catchment area population.

Table 5.2 Comparison Market Shares and Retention Rates for Other Similar Boroughs and Centres

Local Authority	Centre	Centre Market Share (%)	Borough Retention Rate (%)
Reigate and Banstead Borough Council	Redhill	9.6	24.3
Bassetlaw District Council	Worksop	18.4	50.1
East Riding of Yorkshire	Beverley	12.4	38.7

Source: East Riding Town Centres and Retail Study (2009)
Bassetlaw Retail Study (2009)
Reigate and Banstead Retail and Leisure Needs Assessment (2007)

5.18 Newcastle-under-Lyme town centre retains a higher proportion of the Borough's comparison expenditure than Redhill, Worksop and Beverley. With regard to the Borough-wide retention rate, Newcastle-under-Lyme Borough is performing better than the Reigate and Banstead and East Riding administrative areas, which retain a lower proportion of comparison expenditure. Bassetlaw administrative area has a higher retention rate than Newcastle-under-Lyme Borough. Given the urban nature of the Newcastle-under-Lyme Borough and proximity of higher order centre Stoke-on-Trent, the retention rate is healthy.

Change in Comparison Turnover 2005 to 2011

5.19 A comparison can be made between the identified turnover of Newcastle-under-Lyme town centre and Kidsgrove town centre in the 2005 Retail Study and this 2011 Study. To allow for comparison, the 2001 price base used for the 2005 study is converted to 2009 prices, as applied in this Study. This removes inflation as a factor and allows for comparison on a like-with-like basis.

5.20 Comparison floorspace in Kidsgrove town centre has increased its turnover from £4.7m in 2005 to £7.9m in 2011. The turnover of Newcastle-under-Lyme town centre has increased over the period from 2005 (£137.3m) to 2011 (£156.4m), which indicates an upturn in the performance of the centre for comparison goods shopping.

Convenience Retail Shopping Patterns

5.21 Market shares for Newcastle-under-Lyme Borough in the convenience sector are:

Table 5.3 Convenience Retail Market Share in Newcastle-under-Lyme Borough

Centre	Market Share
Newcastle-under-Lyme In-Centre	11.9%
Newcastle-under-Lyme Outside of Centre	31.7%
Newcastle-under-Lyme Sub-Total	43.6%
Kidsgrove In-Centre	0.5%
Kidsgrove Outside of Centre	11.1%
Kidsgrove Sub-Total	11.6%
Other Destinations in Newcastle-under-Lyme Borough	20.2%
Newcastle-under-Lyme Borough Total	75.4%
Leakage	24.6%

Source: NEMS Household Survey June 2011

5.22 Newcastle-under-Lyme Borough retains a healthy proportion of convenience retail expenditure, although 54.4% of this is directed to free-standing stores outside of defined centres. The market share of Kidsgrove town centre is notably low (0.5%), although this excludes the edge-of-centre Aldi and Tesco stores on Liverpool Road. Freestanding stores at Lower Milehouse Lane (Morrison's), Liverpool Road in Newcastle-under-Lyme (Sainsbury's) and Liverpool Road in Kidsgrove (Tesco) account for over a third of all convenience retail spending in the Borough. Table 7 at Appendix 7 provides further details.

5.23 Convenience retail expenditure retention (main food and top-up) is high in Zone 1: Newcastle East (79.2%), Zone 2: Newcastle West (75.4%) and Zone 3: Kidsgrove (74.1%), although the majority of this is directed to the freestanding stores outside of the town centres. The majority of main food shopping expenditure in Zone 5a is directed to destinations outside of the Borough, with the greatest proportion of spending directed to Morrison's, Market Drayton.

5.24 Retention by Zone across the Newcastle-under-Lyme administrative area is summarised below.

		Main Food	Top-up
-	Zone 1: Newcastle East	79.0%	80.7%
-	Zone 2: Newcastle West	75.5%	72.8%
-	Zone 3: Kidsgrove	72.1%	86.3%
-	Zone 5a: Rural South	26.5%	60.0%

5.25 The majority of convenience spending in those parts of the study area outside Newcastle-under-Lyme Borough (Zones 4 and 5b) is directed to locations outside the Borough. From Zone 4 (Stoke) in-flow into the Borough is 13.7% of expenditure. The greatest proportion of Zone 4's expenditure is directed to Sainsbury's Stoke (19.3%). In Zone 5b 31.3% of convenience retail spending is directed to destinations within the Borough and of the majority directed to destinations outside of the Borough, 38.3% is spent at Morrison's, Market Drayton.

Change in Convenience Turnover 2005 to 2011

5.26 To compare the turnover of convenience floorspace in Newcastle-under-Lyme and Kidsgrove town centres at 2005 and 2011, the price base of the 2005 Study data is adjusted from 2001 prices (2005 Study) to the 2009 price base used in this study.

5.27 The convenience turnover of both Newcastle-under-Lyme and Kidsgrove town centre has increased over the period 2005 to 2011. The turnover of Newcastle-under-Lyme grew from £29.5m to £36.5m and the turnover of convenience floorspace in Kidsgrove increased from £0.9m in 2005 to £1.2m in 2011. Again, the turnover of Kidsgrove does not include the Aldi and Tesco stores at Liverpool Road. Whilst these stores are in edge-of-centre locations, the vitality and viability assessment for Kidsgrove (Appendix 4) suggests that spin-off benefits from these stores has increased the turnover of the town in the comparison sector and contributed to an upturn in town centre health.

6.0 Summary of Town Centre Health

Assessing Vitality and Viability

6.1 Appendix 4 provides full vitality and viability assessments for the two town centres of the Borough (Newcastle-under-Lyme and Kidsgrove). The vitality and viability assessments are undertaken in accordance with Annex D: 'Town Centre Health Check Indicators' of PPS4.

6.2 Informing the vitality and viability assessments and audits of facilities are three surveys:

- A survey of town centre businesses;
- An in-street survey of shopping habits, behaviour and perceptions (town centres only); and
- A survey of the 300 leading commercial operators, gauging interest in the two towns surveyed amongst both operators already located in the Borough and those without representation currently.

6.3 Analysis of the survey of town centre businesses is provided at Appendix 5. The findings of the in-street survey are considered in detail at Appendix 3. The results of the commercial operators' survey are set out at Appendix 6.

6.4 This section of the report summarises the findings of the vitality and viability assessments and draws upon the findings of the new empirical research undertaken.

Newcastle-under-Lyme

6.5 The headline findings for Newcastle-under-Lyme town centre are:

1 Newcastle-under-Lyme is the principle and dominant retail centre in the Borough;

2 The proportion of convenience units in the centre is above average but the proportion of convenience floorspace is below average, suggesting that the convenience retail sector in the town is dominated by smaller units. Relocation of Sainsbury's from the town centre to Liverpool Road will have exacerbated this position;

3 The proportion of comparison retail units is above average, whilst the proportion of comparison floorspace is below average, highlighting a proliferation of smaller units, which is reflective of its historic nature and market town character;

4 14 of the 31 leading 'high street' retailers identified by GOAD have stores in Newcastle-under-Lyme;

5 The vacancy rate in the centre is above average, as is the proportion of vacant floorspace. The high level of vacant floorspace is largely down to the former Sainsbury's lying vacant at the time of the study. The level of

vacancies in the centre has also increased since the 2005 Retail Study, suggesting a marginal decline in the health of the centre;

6 The main leisure attraction in Newcastle-under-Lyme town centre is the Vue cinema on High Street, which is shown to trade well;

7 A survey of town centre business revealed that 18% have plans to refit, extend or improve their premises compared with only 9% are intending on closing or relocating new premises outside of the local area;

8 The in-street survey identified that visitors to the centre consider that the range of shops needs improving, with 56% wanting to see an improvement in the range of national multiple retailers and 44% keen to see an increase in the range of speciality retailers;

9 The greatest proportion of shoppers travel to the centre by car (49%), with a significant proportion travelling by bus (22%). 24.6% of those arriving by car parked in the Midway multi-storey car park;

10 99% of respondents to the in-street survey felt safe in Newcastle-under-Lyme town centre in the day, which is extremely positive, whereas a significantly lower proportion felt safe in the centre at night (23%). In a comparison with 12 months ago, 22% felt less safe than they did previously. 68% of respondents cited that increased police patrols would make them feel safer in the centre;

11 Perception of crime is at odds with published statistics which show a declining crime rate in Newcastle-under-Lyme town centre and that it compares favourably with nearby centres;

12 In general, visitors to Newcastle-under-Lyme considered a greater proportion of the characteristics and attributes of the town centre to be better than other centres they visit regularly;

13 An NLP analysis of the strengths, weaknesses, opportunities and constraints of Newcastle-under-Lyme's town centre environment identifies key strengths: as the compact, pedestrianised shopping area; and the markets. Weaknesses are identified as: the prominent vacant and derelict sites; and the location of the major foodstores outside the town centre. The principle opportunity for the centre is the potential of the development sites within the Borough, to build on recent investment. The centre is considered to be constrained by the limited opportunity for public transport connectivity and by the ring road.

Kidsgrove Town Centre

1 Kidsgrove town centre is subordinate to Newcastle-under-Lyme in the local retail hierarchy;

2 Kidsgrove has a low vacancy rate, with a low proportion of vacant units and floorspace. This rate has decreased since it was recorded for the 2005 Retail Study, suggesting an improvement in the health of the centre over the period 2005 to 2011;

3 The proportion of convenience units is marginally above average and floorspace is below average, reflecting the predominance of smaller convenience retail businesses in the centre. Larger Tesco and Aldi stores are located on the edge of the town centre;

4 Kidsgrove has a lower than average proportion of comparison units and floorspace and contains none of the 31 'high street' retailers identified by GOAD, which is reflective of its position in the Borough's retail hierarchy, as a secondary centre;

5 Service uses, particularly A1, A3 and A5 uses proliferate in the centre;

6 A survey of businesses in Kidsgrove established that 11% have intentions to refit, extend or improve their existing premises and only 5% have plans to move outside of Kidsgrove, a further indicator of health and confidence amongst operators;

7 The in-street survey sought to identify areas in need of improvement in the centre and the highest proportion of respondents (44%) considered that the appearance of the town centre needs upgrading;

8 The majority of people arrive in Kidsgrove by car (66%) and park at Tesco, Liverpool Road (39.4%). Few people travel by public transport, suggesting that the centre is deficient in local bus services;

9 Perceptions of safety in the centre differ between day and night, with 92% feeling safe in the day and only 28% at night. 62% of people responding to the in-street survey felt less safe in the town centre than 12 months ago. This contradicts actual crime statistics which show a declining, low crime rate, relative to neighbouring towns. 50% of shoppers felt that increased police patrols would make them feel safer in Kidsgrove;

10 An assessment by NLP of the Kidsgrove environment identified strengths as: the range of public services within a compact area; and the potential for public transport interconnectivity. Weaknesses identified include: the division of the centre by a greenway; and the lack of an anchor foodstore in the town centre. Opportunities exist to integrate the railway station and edge-of-centre foodstores with the town centre; and to expand the retail offer on development sites. The topography of the centre is a significant constraint to future development, and the location of Tesco and Aldi on the edge of the centre limits potential for a significant town centre convenience offer, hence the need to integrate these stores with the town centre.

7.0 The Need for New Retail Floorspace

Introduction

7.1 This section assesses the quantitative and qualitative scope for new retail floorspace in Newcastle-under-Lyme Borough over the period from 2011 to 2026. It provides a quantitative capacity analysis in terms of increases in levels of spending on convenience and comparison goods translated into floorspace capacity.

Methodology

Population and Expenditure Data

7.2 The findings of the household survey are applied to the most up to date population and expenditure data to assess current trading patterns and project forward capacity to 2016, 2021 and 2026.

Commitments

7.3 The figures given in Tables 7.1 and 7.2 below and at Appendix 7 do not take into account existing commitments. Commitments that come forward will reduce the overall capacity for new floorspace.

Constant Market Share Approach/Modelling Uplift

7.4 The figures assume a constant market share approach, with one exception. Sainsbury's opened a replacement Newcastle-under-Lyme store in August 2010. The household survey (undertaken in June 2011) recorded the convenience retail turnover of the store to be only 70% of what would be expected were the store to trade at company average level. It can take up to twelve months for a new retail store to achieve a settled pattern of trading and NLP expects that the Sainsbury's store will increase its convenience retail turnover by 2012, to a level proximate to company average performance. The expenditure tables at Appendix 7 model uplift in the turnover of the Sainsbury's store to company average performance by 2012, and growth pro-rata to growth in catchment area spending power thereafter.

7.5 Modelling uplift in the turnover of the Newcastle-under-Lyme Sainsbury's store, requires a commensurate reduction in the turnover of other destinations. From 2012 onwards, a commensurate reduction in turnover of all other destinations is factored-in on a pro-rata basis.

Floorspace Efficiencies

7.6 An allowance is made for the turnover of existing comparison floorspace increasing by 2.0% per annum from 2012, as a result of the more efficient use of floorspace. This is a more modest rate of floorspace efficiency that was adopted commonly prior to the beginning of the economic downturn in 2008 and the reserved approach is a reflection if the continued economic uncertainty. The continued economic uncertainty is also the reasoning behind the adoption in the convenience retail assessment of 0% floorspace efficiency over the period covered by the Retail and Leisure Study.

In-Flow of Expenditure

7.7 The extent of the Study Area adopted will affect the extent to which the total turnover of a destination is captured. The Study Area adopted by NLP and NEMS, for the household survey informing this Study, is based upon the findings of the 2005 North Staffordshire Retail and Leisure Study.

7.8 The 2005 Study recorded a convenience retail turnover in Newcastle-under-Lyme of £32.8m, of which £31.1m derived from within the Study Area that is adopted in this assessment. This indicates a likelihood that a small proportion (about 5%) of the convenience retail turnover in Newcastle-under-Lyme town centre derives from outside of the Study Area adopted in this assessment. NLP considers that the findings for Kidsgrove are not reliable.

7.9 The 2005 Study suggests that free-standing foodstore attract from a broader area than Newcastle-under-Lyme town centre. The 2005 Study shows that Morrisons at Lower Milehouse Lane attracts 16% of its turnover from beyond the Study Area adopted in this Assessment; 44% is the equivalent proportion for Asda, Wolstanton. NLP considers that the findings of the 2005 Study regarding Asda, Wolstanton over-estimate the proportion of expenditure that derives from outside of the area adopted in this assessment.

7.10 It is very likely though, that a significant proportion of expenditure to free-standing stores derives from outside of the Study Area adopted in this Assessment. On these bases: 5% in-flow is adopted for town centre floorspace and foodstores up to 500 sq. m (net) convenience sales area; 10% in-flow is adopted for foodstores stores up to 1,000 sq. m (net); and 20% in-flow is adopted for free-standing stores in excess of 1,000 sq. m (net).

7.11 In the comparison retail sector, the 2005 Study suggests that in-flow of expenditure to Newcastle-under-Lyme (from outside of the Study Area adopted here) is approximately 23%, and in-flow of expenditure to Kidsgrove is as high as 29%. On this basis, the Retail Assessment adopts an in-flow rate of 25% to all comparison retail destinations with a comparison retail floorspace in excess of 1,000 sq. m (net) sales area.

7.12 The household surveys undertaken to inform both the 2005 North Staffordshire Retail and Leisure Study and the 2011 Newcastle-under-Lyme Retail and Leisure Study indicate that Freeport is not used by residents of the Borough as a principal destination for comparison goods shopping. In common with other 'outlet village' operations, Freeport is appropriately considered as a leisure destination, attracting shoppers from a catchment area much broader than the Newcastle-under-Lyme Borough. For this reason, it is assumed, robustly, that

15% of the Freeport turnover derives from within the Study Area adopted and 85% derives from outside of the Study Area.

Newcastle-under-Lyme

7.13 Table 7.1 sets out the current convenience and comparison retail capacity for Newcastle-under-Lyme and the capacity over the periods to 2016, 2021 and 2026.

Table 7.1 Quantitative capacity - Newcastle-under-Lyme town centre

YEAR	CONVENIENCE		COMPARISON	
	£(m)	sq. m (net)	£(m)^	sq. m (net)^
AT 2011*	5.8	535	17.5	2,700
BY 2016	12.4	1,142	39.8	5,661
BY 2021	17.6	1,623	77.9	9,836
BY 2026	23.4	2,154	130.4	14,912

**Convenience sales density of £10,900 per sq. m at 2011 retained to 2026.*

Comparison sales density of £4,500 per sq. m at 2011/2016 increased by floorspace efficiencies at 2021 and 2026 of 2.0% per annum.

^2016, 2021 and 2026 comparison retail capacity assumes constant Newcastle-under-Lyme market share (in the Borough).

Capacity figures do not account for commitments. Commitments coming forward will reduce the capacity for additional new floorspace.

Convenience Goods

7.14 Growth in the convenience goods spending power of the Study Area adopted, is £8.4m to 2016, £19.6m to 2021 and £31.8m to 2026 (Table 3a at Appendix 7 provides full details). Growth in the convenience goods spending power of the Borough (taken to be zones 1, 2, 3 and 5a), is £7.3m to 2016, £17.0m to 2021 and £27.7m to 2026.

7.15 The NLP capacity assessment follows an accepted methodology of applying this capacity pro-rata to the market shares of destinations. It is also appropriate to take into account the performance of existing retail floorspace, compared with expected levels of performance. In circumstances where existing floorspace is assessed to be under-performing, it is appropriate for organic growth in spending to be first absorbed by this underperforming floorspace. Conversely, where existing floorspace is assessed to be over-performing this can add to the identified capacity for new retail floorspace.

7.16 Existing convenience retail floorspace in Newcastle-under-Lyme Borough is trading at above expected levels at 2011, and this position is exacerbated once an adjustment is made to the turnover of the Newcastle-under-Lyme Sainsbury's from 2012 onwards (trading at benchmark level as of 2012). The implication of the current strong performance across the convenience retail sector in the Borough is that there is immediate capacity for additional convenience floorspace in Newcastle-under-Lyme and increasing capacity over the period to 2026.

7.17 The immediate capacity identified (535 sq. m net) is sufficient to support a small format foodstore (the Express format operated by Tesco, Local by Sainsbury's or similar) or an extension to an existing store to increase the convenience retail offer. By 2016, there is sufficient capacity (1,142 sq. m net) for a foodstore of the size operated discount retailers Aldi and Lidl. In the longer term, the capacity identified beyond is sufficient to support a medium-sized foodstore capable of performing a bulk food shopping role.

7.18 Having regard to the town centre first policy of national planning guidance, it is appropriate to consider the capacity generated pro-rata to the performance of other convenience retail destinations in the Borough. The capacity identified (Table 12 at Appendix 7) of 870 sq. m net at 2011 rising to 915 sq. m at 2016 and 1,129 sq. m net at 2021), when added to the capacity identified for Newcastle-under-Lyme, has the effect of increasing the scope for new convenience retail floorspace in the short term. Over the period to 2016, there is scope for over 2,000 sq. m of new convenience retail floorspace which is sufficient to justify a medium-sized foodstore capable of performing a bulk food shopping role.

7.19 An assessment of sites that offer the potential to accommodate this growth is included at section 9.0 (further details in Appendix 8).

Comparison

7.20 Growth in the comparison goods spending power of the Study Area adopted, is £97.5m to 2016, £241.1m to 2021 and £427.1m to 2026 (Table 3a at Appendix 7 provides full details). Growth in the comparison goods spending power of the Borough (taken to be zones 1, 2, 3 and 5a), is £85.9m to 2016, £212.4m to 2021 and £376.3m to 2026.

7.21 Table 18 at Appendix 7 summarises the current comparison retail performance of Newcastle-under-Lyme, in context with expected benchmark performance. Table 18 records the survey-derived turnover of the town, once an allowance for in-flow is made, as £156.4m at 2011. This compares with an expected turnover level of £138.9m, suggesting that existing town centre floorspace is trading some £17.5m (12.6%) above expected levels. Existing floorspace trading at above expected levels generates immediate capacity for new comparison retail floorspace of 2,700 sq. m net sales area, which would allow for sizeable uplift in town centre floorspace. By 2016, capacity has increased to 5,661 sq. m net and in the longer term 9,836 sq. m by 2021 and 14,912 sq. m by 2026.

7.22 5,661 sq. m of additional comparison retail floorspace (the capacity identified in the short term - to 2016), is very significant in that it would increase comparison retail floorspace in the town by over 25%. This quantum of floorspace could support a substantial extension to the retail offer of the town centre.

7.23 An assessment of sites that offer the potential to accommodate this growth is included at section 9.0 (further details in Appendix 8).

7.24 It is also appropriate to consider capacity that is generated pro-rata to the turnover of the out-of-centre comparison retail floorspace at Wolstanton Retail Park and Talke Pits (Freeport), having regard to the town centre first policy of national planning guidance and that new comparison retail floorspace should be directed to town centres in the first instance.

7.25 The household survey which informs this Study indicates that approximately 15% of Freeport comparison retail turnover is attributable to residents of Newcastle-under-Lyme Borough, with approximately 85% attracted from beyond the Borough boundary. In-flow to other comparison retail destinations in the Borough is, as an average, a more normal 20% (with 80% of comparison retail turnover attributable to residents of the Borough). It is considered reasonable to include with the capacity assessment growth attributable to this 20% of expenditure from outside of the Borough, as the proportion of expenditure from outside of the Borough is likely to remain similar. Accordingly, it is considered appropriate to apportion 35% of the deficit/surplus in Freeport turnover (relative to Benchmark levels) to the Borough (that reflects the sum of 15% turnover from the Borough and a 'normal' in-flow rate of 20%).

7.26 There is not any immediate capacity associated with other floorspace in Newcastle-under-Lyme Borough, as a result of retailers at Freeport and Wolstanton trading below benchmark levels. Year-on-year growth in comparison retail spending means that, at a constant market share, capacity of 2,258 sq. m net sales area is generated in the longer term by 2021, rising to 5,012 sq. m by 2026.

7.27 The household survey which informed this Study, and the survey which informed the 2005 North Staffordshire Retail and Leisure Study, provide evidence to suggest that only a small proportion of the comparison retail turnover of Freeport originates in the Study Area adopted for this Assessment. On this basis, growth in expenditure pro-rata to its overall existing turnover is not available realistically to retail expansion in the Borough.

Commitments

7.28 Commitments are taken into account in the statistical assessment of capacity. The only retail commitment in Newcastle-under-Lyme town centre is permission for change of use of the former Cannons Gym, Barracks Road from D2 to A1 (ref: 08/00580/FUL). This permits 2,335 sq. m of retail floorspace, of which 1,100 sq. m (the mezzanine floor) is restricted to comparison sales. Should this permission be implemented for wholly comparison floorspace it will absorb a significant proportion of the short term capacity for the town centre. The unit is currently lies vacant and the planning permission expires on 21 September 2011. Should the planning permission lapse, then it would not longer account for any of the identified capacity.

Kidsgrove

7.29 Table 7.2 sets out the current convenience and comparison retail capacity for Kidsgrove and the capacity available over the periods to 2016, 2021 and 2026. An allowance is made for existing comparison floorspace increasing its efficiency by 2.0% per annum from 2012.

Table 7.2 Quantitative capacity - Kidsgrove town centre

YEAR	CONVENIENCE		COMPARISON	
	£(m)	sq. m (net)	£(m)^	sq. m (net)^
AT 2011*	0.5	47	1.3	358
BY 2016	1.3	127	2.5	620
BY 2021	2.6	253	4.5	984
BY 2026	3.9	393	7.2	1,430

**Convenience sales density of £9,900 per sq. m at 2011 retained to 2026.*

Comparison sales density of £2,500 per sq. m at 2011/2016 increased by floorspace efficiencies at 2021 and 2026 of 2.0% per annum.

^2016, 2021 and 2026 comparison retail capacity assumes constant Kidsgrove market share (in the Borough).

Capacity figures do not account for commitments. Commitments coming forward will reduce the capacity for additional new floorspace.

Convenience Goods

7.30 There is limited quantitative capacity for additional convenience floorspace in Kidsgrove town centre over the period to 2026. Whilst convenience retail floorspace in Kidsgrove is trading at above company average levels collectively, the below company average performance of the Tesco store means that the only capacity identified is based upon year-on-year organic growth, which does not yield any great capacity.

7.31 The Aldi store on Liverpool Road is trading considerably above expected levels but, as the expected turnover of an Aldi store is approximately a quarter of the Tesco, this does not outweigh the effect of Tesco performace, and the result is that there is only limited capacity for additional floorspace.

7.32 The capacity identified would support a small format foodstore in the long-term.

7.33 PPS4 identifies a number of factors that might suggest a qualitative need for additional retail floorspace, including the overtrading of existing stores. This is pertinent for Kidsgrove, where the Aldi store at Liverpool Road is identified as trading at considerably above Benchmark levels, which is indicative of a qualitative need for an additional discount retail store in the town centre. Home Bargains on Market Street was formerly occupied by KwikSave and there is currently no anchor convenience store within the town centre. Section 9.0 identifies sites within and adjacent to the town centre that have potential for development as a foodstore.

7.34 This identified need is set against the performance at the Tesco store on Liverpool Road and it reasonable for existing retail floorspace to absorb capacity, with benchmark trading performance a proxy, before new retail floorspace is brought forward.

Comparison Goods

7.35 Current capacity for additional comparison retail floorspace (358 sq. m) is very limited. In the short term (to 2016) capacity for comparison floorspace in Kidsgrove town centre is limited to 620 sq. m, increasing to 984 sq. m by 2021. In the long term (to 2026) there is capacity for 1,430 sq. m of additional comparison floorspace.

7.36 An additional 1,430 sq. m of comparison floorspace represents a substantial extension to Kidsgrove town centre (greater than 50% increase of existing comparison floorspace). Due to the character and scale of Kidsgrove town centre it is suggested that the Council should seek to encourage development of floorspace in a number of smaller units, rather than single-occupier larger units.

7.37 Sites that offer potential to accommodate the identified growth are assessed in section 9.0, with further details provided at Appendix 8.

Commitments

7.38 At the time of publication, there were not any extant planning permissions for retail floorspace in Kidsgrove that could absorb the identified need for limited additional convenience and more substantial comparison floorspace, in the town centre.

8.0 # The Scope for New Leisure Facilities

Introduction

8.1 This section assesses the need and potential for new commercial leisure facilities in Newcastle-under-Lyme Borough. It considers the potential for improving a range of major commercial leisure uses including cinema/multiplex, ten pin bowling, bingo, nightclubs, private health and fitness clubs and restaurants, pubs and bars, hotels and cultural facilities.

The Potential for Leisure and Entertainment Uses

Catchment Potential

8.2 In general, commercial leisure facilities will draw the main part of their trade from residents living within a radius of up to 20 minutes travel time. Major leisure facilities such as multiplex cinemas, ten-pin bowling centres, ice rinks and family entertainment centres require a large catchment population, and often benefit from locating together on large out of centre leisure parks.

8.3 Newcastle-under-Lyme Borough has a sizeable catchment population. The Borough population is 125,500 and there are approximately 150,000 people within the study area. This Borough population has good access to leisure facilities in Stoke-on-Trent (Hanley), which limits the potential for major commercial leisure facilities within the Borough. The Stoke-on-Trent City Centre (Hanley) East and West precincts redevelopment, for which outline planning permission was granted in February 2011 (ref. 48935/OUT), which is likely in include a multi-screen cinema complex and hotel, will further expand the offer of this higher order centre.

The Cinema Market

8.4 In 2007 total UK cinema admissions were 162.4 million, slightly higher than in 2005 (157 million), but lower than in 2004 (164.6 million).

8.5 Cinemagoing 17 published by Dodona Research (April 2008) reported that 2007 was a fairly flat year for the cinema business in the United Kingdom and predicted similar conditions for 2008, although it was anticipated that 2009 would be a better year. As the industry is now dominated by three main operators (Odeon, Cineworld and Vue), the emphasis is shifting from consolidation to modest physical expansion. Multiplex cinemas now dominate the market with over 70% of available screens in 2007.

8.6 Cinemagoing 17 forecast that total admissions would increase by about 5% between 2007 and 2012, peaking in 2009 at 175 million admissions and levelling out to 170 million admissions in 2010. Forecasts anticipated a net addition of 136 screens in 2007, 180 in 2008, 70 in 2009 and 50 in 2010. Compared to the last decade, these figures represent a considerable slowing of growth, of just over 2% per annum compared to past growth of 5.5% per annum. Cinemagoing 17 also forecast that by 2012, more than 386 screens will have been added to the 3,514 operating in 2007. According to predictions in Cinemagoing 17, British cinema-goers will pay nearly £1.1 billion for cinema admissions in 2011, due to a strong film product, benefits from digital projection and a return from investment in new cinema space.

8.7 The Borough has one cinema at the Market Arcade in Newcastle-under-Lyme (Vue). However, there are existing facilities within competing centres, including Stoke-on-Trent City Centre (Hanley) and Crewe, which restricts the catchment area of potential cinemas in Newcastle-under-Lyme Borough. Cinemas serving the Newcastle-under-Lyme Borough catchment are:

- Vue, Market Arcade, Newcastle-under-Lyme (8 screens)
- Odeon, Festival Park, Stoke-on-Trent (Hanley) (10 screens)
- Reel, Phoenix Leisure Park, Crewe (5 screens)
- Stoke-on-Trent Film Theatre, Staffordshire University (1 screen)

8.8 The household survey results indicate that 52.7% of respondents in the study area visit cinemas. The highest proportion of respondents (70.1%) visit VUE in Newcastle-under-Lyme. The retention rate of the VUE cinema is high and is unlikely to be improved upon. Attendance rates at the VUE cinema are considerably above the national average, suggesting scope for additional screens to increase customer choice. The proportion of local residents who visit cinemas is above the national average. There is still the potential to increase the proportion of the Borough population who engage in cinemagoing and tap into a latent demand for additional facilities. It may be that qualitative improvements to the existing offer would attract more cinema goers or the forthcoming redevelopment of the former Sainsbury's site could include an element of leisure uses. However, as noted above, the East and West precincts redevelopment in nearby Stoke-on-Trent city centre (Hanley), is likely to include a multi-screen cinema, and developments in the higher-order Stoke-on-Trent may limit potential for additional cinema screens in Newcastle-under-Lyme.

Private Health and Fitness Clubs

8.9 The UK health club market has expanded rapidly as public awareness about personal fitness has increased. Business in Sport and Leisure (BISL) 2009 indicates healthy growth across the industry with the Fitness Industry Report stating that by March 2008, there were 5,755 combined public and private sector fitness sites across the UK. Between March 2007 and March 2008, 41 new facilities opened. The total number of UK health and fitness members at public gyms and private health clubs is estimated to be over 7 million at 2011.

8.10 About 12% of the population are members of a private health club or registered users of a leisure centre gym in the UK, compared with just 8.9% in 2002 and this growth looks set to continue although could be tempered by a trend towards outdoor, non-gym based activity through organisations such as British Military Fitness (BMF), which has over 10,000 members in the UK. The household survey results suggest that 19% of households in the study area visit health and fitness clubs, which is higher than the national membership rate. It should be noted that not all members of households will be members of health clubs (e.g. children and the elderly). Membership rate is likely to be less than 19%, but the household survey is indicative of a healthy take-up of health club and leisure centre membership.

8.11 Private health clubs in the UK range from small independent clubs to large operators such as Nuffield Health, David Lloyd, DW Health and Fitness, Esporta, Fitness First, Virgin Active, Bannatyne and LA Fitness.

8.12 Private health clubs had 4.2 million members in 2007 (1,375 members per club). The largest health clubs have memberships of up to 4,000. Independent clubs remain a strong presence in the private sector market, running 55% of all private clubs. Of the 126 new private health clubs that opened over the period 2006 to 2007, 58% were independent clubs and 42% operated by national multiples. Public sector sports centres are also important, and the market increased significantly between January 2006 and March 2007, with 106 new facilities opened and in terms of like-for-like membership growth rates, the sector saw an impressive 4.6% growth.

8.13 There are a number of public and private health and fitness clubs in Newcastle-under-Lyme Borough, including:

- Castle Gym, Jubilee Baths, Brunswick Street, Newcastle-under-Lyme;
- Castle Gym, Kidsgrove Sports Centre, Fourth Avenue, Kidsgrove;
- Castle Gym, Knutton Recreation Centre, High Street, Knutton;
- Chesterton Sports Centre, Castle Street, Newcastle-under-Lyme;
- Gymophobics, High Street, Newcastle-under-Lyme; and
- Spirit Health and Fitness, Clayton Road, Newcastle-under-Lyme.

8.14 Newcastle-under-Lyme Borough has at least 6 public and private clubs. The household survey indicates that 19% of respondents or their families visit a health/fitness club. Of these respondents, (53.7%) visited destinations within the Borough.

8.15 The approximate population of Newcastle-under-Lyme Borough is 125,500 at 2011 (based on sub-national population projections, published May 2010), which could generate demand for about 15,060 public and private membership places, based on the national average membership rate (12%). This implies an average of 2,510 members per club, which is above the national average for private fitness clubs (1,375 members). This suggests that there is scope to improve upon the provision of health and fitness clubs in the Borough.

8.16 A future increase in membership rates and/or population growth could generate additional demand. Population growth in Newcastle-under-Lyme Borough up to 2016 (+1,600) could generate demand for a further 192 places, and growth up to 2026 (+5,700) could support an additional 684 places.

8.17 However, it is noted that planning permission for the change of use of the former MFI unit at Etruria Business Park, Basford, to a gym was granted in May 2011 (ref. 11/00076/COU). It is understood that the unit will be operated by Pure Gym and is scheduled to open in autumn 2011. An extant outline planning permission (ref. 07/00995/EXTN) also exists for the construction of an employment area at Chatterley Valley which includes leisure use and facilities (floorspace unknown). Along with the under construction 'Jubilee 2' Health and Wellbeing Centre in Newcastle-under-Lyme and the recently opened Newcastle College Sports Village, the provision of health and fitness facilities in the Borough will be much improved in the near future and is likely to be sufficient to meet demand. In addition, existing facilities in nearby Stoke-on-Trent, which comprise a mix of national operators (Fitness First – rebranded as Klick Fitness) and public clubs, are likely to limit the potential for future additional health club facilities in Newcastle-under-Lyme Borough.

Tenpin Bowling

8.18 The tenpin bowling sector experienced 13% real growth between 1997 and 2002. Mintel predicted the value of the tenpin bowling market would increase from £245 million in 2002 to £324 million by 2007.

8.19 There were 269 tenpin bowling centres (5,005 lanes) in the UK in 2007, which equates to approximately one lane per 12,000 people. Bowling centres now tend to be part of major leisure developments that include multiplex cinemas, restaurants and nightclubs offering a choice of leisure and entertainment activities.

8.20 Tenpin bowling centres require large buildings of between 2,300 and 4,200 sq m (25,000 to 45,000 sq ft) and are generally located in towns with a population of over 150,000 people.

8.21 There are no bowling alleys within the study area. However, Tenpin at Festival Park in Stoke-on-Trent (Hanley) is in proximate to the Borough, a facility which attracts 83.5% of those in the study area who visit bowling alleys. The household survey results suggest that about 20% of households in the study area visit tenpin bowling facilities. The study area population (154,086) as a whole could theoretically support about 12 lanes, based on one lane per 12,000 people, rising to 13 lanes in 2026. On this basis there is theoretical capacity for the provision of a new 13 lane bowling alley within the study area, allowing for 100% trip retention. This would best be delivered as a composite part of a wider leisure or mixed use development.

Bingo

8.22 The bingo market peaked in the mid-1970s, with almost 2,000 clubs nationwide. Since then the sector has struggled to compete with other leisure activities, as well as the impact of the National Lottery. The decline has bottomed out and attendance figures have remained steady since the late 1990s, and revenues and profits have started to increase.

8.23 The UK had 676 commercial bingo clubs in 2005. By March 2008, this had decreased to 616 venues; approximately one club per 100,000 people. The amount staked on bingo rose during the early part of the last decade, peaking in 2006 at £1,826 million and fell to £1,620 million in 2008.

8.24 Bingo clubs attracted 79 million admissions in 2005 (source: Mintel), about 1.75 admissions per adult each year. On average each club attracted 117,000 admissions in 2005 (about 2,250 admissions per week). The average participation rate amongst adults was 6.9% in 2004 (source: Mintel), split between 2.8% regular players and 4.1% occasional players. Mintel forecasts that admissions will have declined from 79 million in 2005 to 68 million in 2011 year, although the average spend per head will increase from £26.90 to £38.40.

8.25 Mecca and Gala are the main bingo operators, controlling over half of the UK market. Marketing of the bingo sector has been more proactive in recent years and Gala and Mecca have invested in premises, moving out of dated premises (often converted cinemas), into purpose built units. Bingo clubs have become increasingly sophisticated, and have actively sought to attract all age groups. The destination market is now in competition with on-line gambling, which has experienced a rapid growth in popularity over the latter part of the last decade amid aggressive marketing campaigns. Continued extensive marketing and sponsorship of on-line gambling suggests that the destination market will continue to be squeezed.

8.26 The bingo sector usually prefers central locations that are accessible by public transport and by foot (maximising accessibility for its core client base). Major bingo operators (Mecca and Gala), require buildings of between 2,000 and 3,000 sq m, capable of seating up to 2,000 people, with a catchment population of 50,000 to 70,000 people within freestanding towns (source: BISL).

8.27 There are no bingo clubs within Newcastle-under-Lyme Borough. The household survey results indicate that only 4.4% of households in the study area visit bingo facilities, of which 27.3% visited Gala in Stoke-on-Trent (Hanley), and 27.3% visited Gala in Fenton. The population of the study area within Newcastle-under-Lyme Borough (about 97,600 adults aged over 20 – based on sub-national population projections, published May 2010) could generate over 55,700 admissions based on the national participation rate (1.75 per adult), compared with the average of 113,000 admissions per club. These figures suggest that there would be insufficient demand to accommodate a bingo club in Newcastle-under-Lyme Borough, particularly having regard to the provision and attendance of bingo clubs in Stoke-on-Trent (Hanley) and Fenton.

Nightclubs

8.28 The value of the nightclub market (permanent venue offering dancing in return for an admission fee) declined from £2.16 billion in 1998 to £1.77 billion in 2002 (source: Mintel - Nightclubs). There are approximately 1,750 nightclubs in the UK, which is approximately one per 30,000 people.

8.29 The sector has faced increasing competition from late night pubs and bars, with no admission fees. The BISL identifies a continued period of rationalisation and price competition in the past decade. The forthcoming spike in the 18-24 year old age group is expected to provide a fruitful market for the night-club sector.

8.30 Large nightclubs (capacity up to 2,000 people) are generally located in large towns with a population of over 100,000 people. There are a number of late night venues in Newcastle-under-Lyme Borough, including Lakota, Fluid Bar and Revolution, Reflex and Missoula. There are no large branded clubs within the Borough, but there are venues which hold live music events including Blakeley's, The Old Brown Jug and The Rigger.

8.31 The household survey results indicate that 18.8% of households in the study area have members that will visit nightclubs or late night music venues. 30.9% of these households visited Newcastle-under-Lyme most recently and 24.5% visited Stoke-on-Trent (Hanley). There appears to be sufficient provision of nightclubs in Newcastle-under-Lyme Borough especially given the availability of late night venues in Stoke-on-Trent (Hanley).

Casinos

8.32 In February 2008 an order was laid before Parliament to allow 16 local authorities to license casinos, but the Government stated that regional casino licences would not be allowed at that stage.

8.33 Operators now have to think in more detail about the catchment area of their casinos and the level of existing or future competition in a given area. Key catchment areas will have to be in or within the near vicinity of a large centre, such as a major town or city, with a drive time catchment area of approximately 30-40 minutes and as close to the centre of the catchment area as possible, with good transport links. The proximity of other established commercial uses will also be a key factor for operators when looking at locations for casinos.

8.34 There were 144 licensed casinos operating in Great Britain at March 2008, about one casino per 400,000 people. Attendance at casinos by members and guests increased by 6.6% between 2007 and 2008 to over 16 million trips.

8.35 There are no casinos within the Borough. The main centres within Newcastle-under-Lyme Borough are unlikely to have a catchment population large enough to support a casino. It is also likely that casino operators will continue to locate in larger cities including Stoke-on-Trent (Hanley).

Bars and Restaurants

8.36 Food and drink establishments (Class A3, A4 and A5) including restaurants, bars and pubs support other major leisure uses on leisure and retail parks. Within town centres the demand for A3/A4/A5 uses has increased including a significant expansion in the number of coffees shops, such as Starbucks, Café Nero and Costa Coffee.

8.37 National branded pub/restaurant chains have been investing heavily, although not exclusively in larger centres. Many chains such as All Bar One, JD Wetherspoons and Yates Wine Bars have sought representation in smaller centres close to residential communities.

8.38 National information available from GOAD indicates that the proportion of non-retail uses within town centres across the country has increased over the last decade, as shown in Table 13.2. The proportion of Class A1 retail uses in Goad town centres has decreased by 16.5% between 1994 and 2010 (10.1 percentage points), whilst non-retail uses including Class A2, A3 and non-retail (service) A1 uses have all increased.

Table 8.1 GB Goad Plan Town Centres Use Class Mix

Type of Unit	% Change 1994 to 2010	Proportion of Total Number of Units (%)			
		1994	2000	2005	2010
Class A1 (Retail)	- 16.5	61.2	59.1	56.4	51.1
Class A1 (Services)	+ 52.2	6.9	8.2	9.6	10.5
Class A2	+ 1.2	8.5	8.9	8.9	8.6
Class A3/A5*	+ 70.7	9.2	11.2	13.7	15.7
Miscellaneous	+ 19.9	1.0	1.4	1.4	1.2
Vacant/under Const.	- 2.3	13.2	11.2	10.1	12.9
Total	-	**100.0**	**100.0**	**100.0**	**100.0**

Source: Goad Centre Reports *excludes Bars/Public Houses (A4)

8.39 The number of bars and pubs has continued to decline in recent years according to figures produced by the Department of Culture, Media and Sport.

8.40 The Beer Orders were acts passed by the government in the early 1990s resulted in a sustained expansion of themed bars and pub restaurants, with JD Wetherspoons the industry leader. These outlets generally require a minimum 50,000 population and are usually located on main streets or secondary positions close to prime retail, commercial and other leisure users. Operators usually require large premises of 250 - 1,500 sq m, in close proximity to public car parks and good transport links.

8.41 Themed restaurants also expanded rapidly in the 1990s. These operators have located in out of centre retail/leisure parks as well as good secondary/primary high street locations. Fast food operators such as McDonalds and Burger King have expanded the number of drive through, and town centre outlets. Outlets have been developed within retail/leisure parks or on busy roads. Outlets require sites of approximately 0.2 hectares.

8.42 Growth in Class A3 to A5 uses within town centres may continue in the future, and will compete for premises with other town centre uses. A balance between Class A1 and Class A3 to A5 uses needs to be maintained.

8.43 The survey undertaken by the Council in 2009 and May 2011 in Newcastle-under-Lyme indicates that the proportion of A3 and A5 units is below average. Survey data for Kidsgrove shows that the proportion of A3 and A5 units within the centre is above average and that there has been an increase in the proportion of service uses in the centre in general, although this has been in favour of comparison retail units, which have declined.

8.44 The household survey highlights that 73.3% of households in the study area use pubs, bars and restaurants. 29.6% of these households last visited these services in Newcastle-under-Lyme town centre and 4.1% visited Kidsgrove. A notable proportion last visited A3 and A5 services in Stoke-on-Trent city centre (Hanley) (8.8%) and Market Drayton (4.7%).

8.45 In light of the above findings, NLP recommends that the Council seeks to encourage class A3 and A5 floorspace in town centre development/redevelopment schemes in Newcastle-under-Lyme. An appropriate proportion of class A3 to A5 development in mixed-use town centre schemes is between 10% and 15%. Whereas, in Kidsgrove the proportion of such uses within development schemes should be limited.

Theatres

8.46 The household survey indicates that 52% of respondents in the study area visit theatres. Within the study area the most popular theatre is the New Vic Theatre in Newcastle-under-Lyme (24.8% of respondents). Outside the study area, the principal destination is Stoke-on-Trent City Centre (Hanley), with facilities accounting for 56.9% of visits, including the Regent Theatre (47.7%).

8.47 Taking account of the current provision of theatres in Newcastle-under-Lyme Borough there may be limited scope for new privately operated theatres, although the catchment market is constrained by the accessibility and quality of theatres in larger surrounding towns.

Hotels

8.48 The Newcastle-under-Lyme Tourism Economic Impact Assessment (2009) identifies 1,335 bed spaces in serviced accommodation (hotels, guesthouses, inns, bed and breakfasts, farms and self-catering) in Newcastle-under-Lyme Borough. There were 35,100 overnight stays in this accommodation in 2009, which is 26 stays per bed space, over the year. This indicates an occupancy rate of approximately 7% for 2009. The occupancy rate noted does not take account of variable opening times throughout the year, and will be higher. That said, the quantum of overnight stays recorded is very low given the number of bed spaces available.

8.49 A significant majority of accommodation in Newcastle-under-Lyme is independently owned. Since the publication of the Tourism Impact Assessment a new 82 room Travelodge hotel opened in Newcastle-under-Lyme town centre in June 2010, which will very likely increase the number of overnight stays but is unlikely to have a material effect on the occupancy rate.

8.50 The national occupancy rate, for chain hotels outside of London, at June 2009 was 72.5% (TRI Hospitality Consulting 2009). This reflects chain hotels, which have higher occupancy levels than independent providers, and is measured at a peak time of the year for occupancy. Despite these factors it still provides a useful comparison with the Newcastle-under-Lyme occupancy rate, indicating that the Borough has more than sufficient accommodation to meet the needs of visitors in terms of numbers, but may suffer from a lack of higher end provision.

Cultural Facilities

8.51 For the purposes of this report 'cultural facilities' are considered to be museums, galleries, exhibitions and libraries. The household survey provides an indication of the interest that the residents of Newcastle-under-Lyme Borough have in visiting cultural facilities and where the demand for additional facilities lies.

8.52 35.5% of respondents to the household survey visit museums, galleries and exhibitions and 40.7% visit libraries. The household survey does not query where respondents visit these facilities. People are most likely to visit the library nearest to their home and therefore it is likely that the majority of these respondents are visiting libraries within the Borough. Museums, galleries and exhibitions have a wider draw and visitation tends to be based on personal interest in a particular display rather than proximity to a visitor's home, consequently respondents are likely to visit facilities across a wider area.

8.53 The household survey also sought to establish where respondents considered Newcastle-under-Lyme could improve its facilities. The cultural facilities in Newcastle-under-Lyme Borough were generally viewed as satisfactory with no suggestion that additional art galleries and libraries required. 1% of respondents felt that the Borough would benefit from additional museums and 1% additional exhibition space. The household survey indicates a low level of demand for additional cultural facilities in the Borough, suggesting that existing Borough provision, and that within the wider sub-region, is sufficient to meet the interests of Newcastle-under-Lyme's residents.

9.0 # Accommodating Growth: Development Sites

9.1 NLP has reviewed potential commercial development sites identified by Newcastle-under-Lyme Borough Council in Newcastle-under-Lyme and Kidsgrove town centres. The feasibility of accommodating future retail or leisure floorspace on the identified sites assessed against the following factors:

- existing land uses and availability, categorised as follows:
  a) short term – up to 2016
  b) medium term – up to 2021
  c) long term – likely to be completed after 2026;
- commercial potential for retail/leisure development and the most likely form of development;
- potential scope to accommodate additional retail/leisure floorspace (net increase), categorised as follows:
  a) small scale - under 1,000 sq. m gross floorspace;
  b) medium scale – 1,000 to 5,000 sq. m gross floorspace;
  c) large scale - over 5,000 sq. m gross floorspace;
- potential development constraints; and
- possible alternative uses.

9.2 The overall development prospects of each opportunity, taking on board all of the factors listed above, is categorised as:

- Good - development sites that have good prospects for providing additional retail/leisure floorspace, and should be considered for implementation in the short to medium term; or
- Reasonable - development sites which are well located and may provide potential for additional floorspace, although obstacles to development will need to be overcome, but implementation may only be achieved in the long term; or
- Poor - development sites that may be unattractive or unsuitable for retail or leisure development or where their delivery is uncertain.

9.3 The overall rating afforded to each site is based on an initial evaluation by NLP. The level of analysis undertaken at this stage is limited, i.e. detailed appraisals of development constraints, land ownership and potential development costs have not been undertaken. More detailed examinations of each site will need to be undertaken before sites can be brought forward for development or ruled out as not viable options. The evaluations undertaken for each opportunity are not detailed planning appraisals and they do not imply that planning permission should be granted or refused for retail/leisure development on any site. However, the evaluation is expected to identify potentially suitable development opportunities that may be worthy of further consideration by the Council. This evaluation provides a framework within which the Council can consider the implementation of a development strategy for each centre.

Evaluation of Potential Development Sites

9.4 Each of the opportunity sites identified by Newcastle-under-Lyme Borough Council has been evaluated based on the factors set out above. An assessment of each site is provided in Appendix 8. The sites that are considered to offer the greatest potential for convenience and comparison retail development are summarised below.

Newcastle-under-Lyme

9.5 As set out in Section 7.0, the capacity identified for Newcastle-under-Lyme is sufficient in the long-term to support a large scale comparison development of up to 14,912 sq. m net (assuming constant market share). Convenience retail capacity rises to 2,149 sq. m net (assuming constant market share) over the period to 2026.

9.6 The quantum of floorspace for which capacity is identified could be accommodated wholly by the redevelopment of the Ryecroft site (former Sainsbury's and potentially including existing Civic Offices), which is considered to be the most appropriate location for significant retail and leisure development in the Borough. This assumes that the development brought forward is a wholly comparison scheme and high density. Should the Ryecroft site be brought forward as a mixed use scheme or at a lower density, in line with surrounding land uses, there will be remaining capacity for comparison floorspace in the town centre in the long-term.

9.7 The former St Giles and St Georges School at Barracks Road is considered to have the potential to accommodate this remaining capacity; As an in-centre site, which is available in the short-term, it is assessed as suitable for medium-scale retail development although it is understood that there may be options to convert the existing buildings for community uses. If the site does become available for retail uses the Council should ensure that any redevelopment improves linkages to the primary shopping frontage.

9.8 An alternative option to support any remaining comparison floorspace capacity is the Blackfriars site at Lower Street. The cleared site is available for development in the short-term and could accommodate medium/large-scale development. The site would most appropriately be brought forward for mixed use development including retail and leisure floorspace. As an edge of centre site, the Council should ensure that any retail proposal is subject to the PPS4 tests.

Kidsgrove

9.9 Limited convenience retail capacity (398 sq. m over the period to 2026) is identified in Kidsgrove and there is identified capacity for 1,430 sq. m of comparison goods floorspace, in the long-term.

9.10 There are two sites in Kidsgrove that offer potential to accommodate the identified retail capacity. To the northwest off Liverpool Road, a series of car parks occupy land around the steeply sloping Heathcote Street. The car parks are within the existing town centre boundary. The redevelopment of the lower car park would provide sufficient floorspace to meet most, if not all, of the identified capacity.

9.11 The land between Liverpool Road and the railway station is currently outside the town centre boundary. It is divided into two parts by the Trent and Mersey Canal and the northern area presents an opportunity to extend the town centre in a westerly direction through a mixed use development with a significant comparison component. The site is edge of centre and the Council must ensure any proposal for town centre uses is assessed against the tests set out in PPS4.

10.0 # Impact Tests and Town Centre Boundaries

Local Impact Tests by Centre

10.1 Major retail and town centre development, intended to serve all or a significant proportion of residents of the Borough should be located within Newcastle-under-Lyme town centre. This is the largest centre and should continue to act as the principal centre within the Borough. Kidsgrove town centre should complement Newcastle-under-Lyme town centre by providing for convenience foods shopping, day-to-day comparison shopping facilities and services. Other shopping facilities outside of these main centres should cater for top-up food and ancillary comparison shopping and services.

10.2 PPS4 suggests the impact of retail developments of 2,500 sq. m gross and above should be considered. However, reflecting the divergent nature of local circumstances Policy EC3.1.d states that:

'(LPAs should) at the local level, consider setting floorspace thresholds for the scale of edge-of-centre and out-of-centre development which should be subject to an impact assessment under (EC16.1) and specify the geographic areas these thresholds will apply to'.

10.3 Based upon the scale and role of centres within Newcastle-under-Lyme Borough and the retail floorspace projections within this report, NLP considers that the impact of smaller development proposals could raise concerns. A development of 2,500 sq. m gross will exceed or account for a significant proportion of the projected need for retail floorspace in Newcastle-under-Lyme town centre up to 2016 and significantly greater than the capacity identified in Kidsgrove. The projections suggest that retail developments of less than 2,500 sq m gross could have a significant impact on town centres and the PPS4 threshold is not appropriate to local circumstances in Newcastle-under-Lyme.

10.4 NLP believes that the impact of edge-of-centre and out-of-centre retail applications should be assessed having regard to these floorspace thresholds:

- Newcastle-under-Lyme – 1,000 sq. m gross and above;
- Kidsgrove – 500 sq. m gross and above.

10.5 The Council should include these local impact thresholds within the LDF.

10.6 The sequential approach indicates that town, district and local centres are the preferred location for new retail, leisure and cultural development. Some forms of development may be more appropriate in neighbourhood centres or shopping parades, if there are localised areas of deficiency. The key issues are the nature and scale of development proposed and the catchment area the development seeks to serve.

10.7 In general, development within local and village centres, including Rural Service Centres, should primarily serve the village/settlement within which it is located, and perhaps smaller nearby settlements which do not have a retail offer.

Neighbourhood centres and shopping parades in the urban area should primarily serve walk-in catchment areas.

Locally Important Impacts

10.8 Ingrained in national and local planning policy is the requirement for town centre development in edge of centre and out of centre locations to consider potential impact on the vitality and viability of defined centres. The Newcastle-under-Lyme Borough LDF should include policy requiring all proposals for edge-of-centre and out-of-centre retail development, falling within the thresholds set out above, to consider the potential impact on town centre vitality and viability.

10.9 PPS4 takes this requirement a stage further and Policy EC3.1.e states that:

10.10 '(LPAs should) define any locally important impacts on centres which should be tested'.

10.11 Critical to the future health and performance of Newcastle-under-Lyme town centre is the successful redevelopment of vacant, cleared or underused sites in and on the edge of the Primary Shopping Area. This includes the former Sainsbury's site at Ryecroft, the acquisition of which is underway by Newcastle-under-Lyme Council and Staffordshire County Council. The Council should include within its LDF a requirement that any proposal for development that is on the edge of or in an out-of-centre location within Newcastle-under-Lyme, or any development that has the potential to impact upon Newcastle-under-Lyme town centre and the delivery of development on vacant, cleared or underused sites, should consider the potential impact upon the deliverability and viability of redevelopment at Ryecroft. This may be a requirement of a proposal anywhere in the Borough, dependent upon scale and the likelihood of it causing impact.

10.12 Newcastle-under-Lyme town centre is characterised by its historic role as a market town. This has influenced the street pattern and architecture of the centre and is also evident in the predominance of small scale retail units within the Primary Shopping Area (Ironmarket, High Street and Castle Walk). The Council should include a requirement within its LDF for an assessment of the potential impacts of any proposal within the town centre on the 'market town' character of the centre.

Town Centre Boundary and Frontage Review

10.13 The Newcastle-under-Lyme Local Development Framework Proposals Map (2009) identifies an area covered by the Town Centre SPD, a primary shopping area (PSA) and primary shopping frontage for Newcastle-under-Lyme. For Kidsgrove the Proposals Map defines a town centre boundary. A plan showing the current boundaries in Newcastle-under-Lyme and the Kidsgrove town centre boundary at Appendix 9.

10.14 In town centres it is important to define a PSA to allow for the proper application of the sequential approach, when preparing proposals for retail uses outside of the PSA. To inform the preparation of the remaining Local Development Framework, NLP has reviewed the boundaries set out in the Proposals Map and provided recommendations, in line with PPS4.

10.15 In reviewing town centre boundaries and primary and secondary shopping areas, three options need to be considered; maintaining the existing boundaries and designations as set out in the adopted LDF Proposal Map; contracting boundaries and designated areas; and extending boundaries and designated areas.

10.16 Annex B of PPS4 provides definitions of the different types of location, as follows:

Town Centre: defined area, including the primary shopping area and areas of predominantly leisure, business and other main town centre uses within or adjacent to the primary shopping area. The extent of the town centre should be defined on the proposals map.

Primary Shopping Area: defined area where retail development is concentrated (generally comprising the primary and those secondary frontages which are contiguous and closely related to the primary shopping frontage). The extent of the primary shopping area should be defined on the proposals map. Smaller centres may not have areas of predominantly leisure, business and other main town centre uses adjacent to the primary shopping area, therefore the town centre may not extend beyond the primary shopping area.

Primary Frontage: primary frontages are likely to include a high proportion of retail uses.

10.17 **Secondary Frontage:** secondary frontages provide greater opportunities for a diversity of uses.

Newcastle-under-Lyme Town Centre

10.18 The town centre for Newcastle-under-Lyme is defined by the area covered by the Town Centre SPD (2009). It is drawn widely and includes such uses such as the Staffordshire County Council Highways Department depot, St Mary's Primary School and Newcastle-under-Lyme College, in addition to PPS4 defined town centre uses.

10.19 Within the town centre, the primary shopping area comprises the area within the ring road (Lower Street, Ryecroft and Barracks Road). This area includes the majority of the town centre retail and leisure uses as well as the Civic Offices.

10.20 The defined primary shopping frontage includes the main concentration of retail activity and national and regional multiple retailers. There is no existing defined secondary shopping frontage.

10.21 The Council should consider reducing the town centre boundary to focus on the area where town centre uses exist. NLP recommends that this boundary should incorporate the entire area within the ring road, the leisure centre and Nelson Place to the east and Lidl, Travelodge, the site at Blackfriars Road and Morrison's to the south west.

10.22 There are no recommended changes to the primary shopping area, which includes the main concentration of retail uses in the town centre.

10.23 The extent of the primary shopping frontage should be reviewed and a secondary shopping frontage implemented, within the primary shopping area. It is recommended that Hassell Street should be removed from the primary shopping frontage, so that the primary shopping frontage comprises the southwest of Ironmarket, Castle Walk and High Street (between Friars Street and Ironmarket). The appropriate extent of the secondary shopping frontage is the remainder of High Street (to the north and south) and Ironmarket (to the northeast of Castle walk), Hassell Street and Merrial Street. The extent of these frontages should be kept under review as sites (e.g. Ryecroft) come forward for town centre uses.

Kidsgrove Town Centre

10.24 Whether a defined PSA is appropriate is dependent upon the scale and layout of the centre. Kidsgrove is a small centre that is split into two areas, Liverpool Road and Market Street/King Street. In this case, the definition of a PSA is neither necessary nor appropriate to meet the requirements of PPS4 and the existing town centre boundary is considered to meet the current needs of the centre. To ensure clarity, the Council should indicate in the LDF that for the purposes of retail and town centre planning, the PSA is considered to be the town centre boundary. Should potential development sites to east or west of the town centre come forward for town centre uses, a review of the boundary should be undertaken which might ultimately include the Tesco store or Aldi at Liverpool Road.

11.0 Conclusions

11.1 Newcastle-under-Lyme Council Borough has commissioned this Study from Nathaniel Lichfield and Partners (NLP) to advise upon the retail and town centre strategy for the two town centres in the Borough, Newcastle-under-Lyme and Kidsgrove.

11.2 The 2011 Newcastle Retail and Leisure Study is produced to inform development plan preparation and will be part of the Newcastle-under-Lyme Local Development Framework evidence base.

11.3 This new Study updates the previous North Staffordshire Retail and Leisure Study (2005). A similar methodology to that of the 2005 study is adopted in order to allow for a comparison of shopping patterns between 2005 and 2011.

11.4 This study is informed by: a telephone survey of 500 residents in a survey area covering Newcastle-under-Lyme Borough and extending into neighbouring Stoke-on-Trent and Shropshire; an in-street survey of visitor perceptions, undertaken in the two town centres; a survey of all commercial businesses in the two study centres; and a survey of the 300 leading 'high street' commercial operators, including both those represented and not represented in the Borough.

11.5 The telephone survey is undertaken across a number of the sub-zones adopted in the 2005 study, which allows for ease of comparison.

Shopping Patterns 2011

11.6 Newcastle-under-Lyme Borough retains just under half (44.5% market share) of the comparison retail spending power in the Borough. The majority of it is directed to Newcastle-under-Lyme town centre (32.2% market share) and Kidsgrove plays a subordinate comparison retail role (1.7% market share). The leakage of comparison retail expenditure to destinations outside of the borough (55.5% market share) is primarily directed to Stoke-on-Trent City Centre (18.9%) and Festival Retail Park and Festival Heights (14.6% market share). The remaining expenditure is split in to negligible amounts amongst a broad number of destinations.

11.7 The retention of convenience shopping expenditure in the Borough is healthy at 75.4%. Newcastle-under-Lyme area is again dominant (43.6%) and the majority of this expenditure is directed to freestanding stores outside of the town centre (Morrison's at Lower Milehouse Lane and Goose Street and Sainsbury's at Liverpool Road).

Leisure Patterns 2011

11.8 The household survey indicates that 52.7% of respondents in the study area visit cinemas, the majority of which (70.1%) visit the Vue cinema in Newcastle-under-Lyme. This is the only cinema in the Borough.

11.9 Newcastle-under-Lyme Borough has 7 public and private health and fitness clubs. The household survey indicates that 19% of residents visit such facilities and the majority visit facilities within the Borough. The offer is set to improve in the short term with the construction of Jubilee 2 Health and Wellbeing Centre and extant planning permission for two further gyms within the Borough.

11.10 There are no bowling alleys in Newcastle-under-Lyme Borough. The household survey suggests that 20% of residents visit bowling alleys and 83.5% of those visit Tenpin at Festival Park, Stoke-on-Trent.

11.11 There are also no bingo clubs in Newcastle-under-Lyme Borough. Only 4.4% of residents visit bingo halls, according to the household survey, of which 27.3% visit Gala in Stoke-on-Trent (Hanley) and 27.3% visit Gala in Fenton.

11.12 In terms of evening entertainment, 72.3% of households use pubs, bars and restaurants, of which 29.6% visit them in Newcastle-under-Lyme town centre, 8.8% in Stoke-on-Trent City Centre (Hanley) and 4.1% in Kidsgrove. The most popular destination for those visiting nightclubs/live music venues (18.8%) is Newcastle-under-Lyme town centre (30.9%) and Stoke-on-Trent city centre (Hanley) (24.5%).

11.13 The household survey indicates that 52% of respondents visit theatres. The most popular theatre in the Borough is the New Vic Theatre in Newcastle-under-Lyme (24.8%). The principal destination outside of the Borough is Stoke-on-Trent city centre (Hanley) (56.9%) and in particular the Regent Theatre (47.7%).

11.14 There were 35,100 overnight stays in the Borough in 2009 and 1335 bed spaces in serviced accommodation. Occupancy rates in serviced accommodation in Newcastle-under-Lyme Borough are well below average and a new Travelodge hotel opened in 2011 and there is not considered scope for significant additional facilities.

11.15 Museums, galleries and exhibitions were visited by 35.5% of households surveyed and libraries by 40.7%. The cultural facilities in the Borough were generally considered to be appropriate to the Borough with no major intervention required.

Retail Capacity Assessment

11.16 The retail capacity assessment assumes a constant market share, projecting forward the shopping patterns recorded by the 2011 Household Survey.

11.17 Tables 11.1 and 11.2 summarise respectively the capacity for additional convenience and comparison retail floorspace in the two town centres. Capacity beyond 2016 should be viewed with caution as there can be little certainty over long term economic performance and prosperity.

Table 11.1 Convenience Retail Capacity by Centre

CENTRE	CONVENIENCE CAPACITY			
	AT 2011	BY 2016	BY 2021	BY 2026
	sq. m (net)	sq. m (net)	sq. m (net)	sq. m (net)
Newcastle-under-Lyme	535	1,142	1,623	2,154
Kidsgrove	47	127	253	393
Elsewhere in the Borough	870	915	1,129	1,366

Table 11.2 Comparison Retail Capacity by Centre

CENTRE	COMPARISON CAPACITY			
	AT 2011	BY 2016	BY 2021	BY 2026
	sq. m (net)	sq. m (net)	sq. m (net)	sq. m (net)
Newcastle-under-Lyme	2,700	5,661	9,836	14,912
Kidsgrove	358	620	984	1,430
Elsewhere in the Borough	-	-	2,258	5,012

Leisure Capacity Assessment

11.18 Newcastle-under-Lyme has a broad range of commercial leisure, entertainment and cultural facilities although the level of provision is not as comprehensive as other larger centres in the sub-region, principally Stoke-on-Trent (Hanley). Residents in the study area have good access to facilities in Stoke-on-Trent (Hanley), which limits potential for further facilities in the Borough.

11.19 The assessment suggests that there might be a latent demand for additional cinema screens. There is also some identified capacity for a tenpin bowling alley which might be viable commercially as a composite part of a wider leisure or mixed use development. The assessment indicates that the Borough has a lower than average proportion of pubs, bars and restaurants and that the Council should seek to encourage such uses in the town centre.

Advice by Centre

Newcastle-under-Lyme

11.20 Newcastle-under-Lyme is the principal and dominant retail destination in the Borough. It has a historic market town character which is apparent through the environment and high proportion of small shop units. Ironmarket, High Street and Castle Street provide the main focus for comparison floorspace in the centre. There is an established small scale convenience offer in the primary shopping area with the main convenience offer in free-standing stores both outside and inside the town centre.

11.21 The capacity for additional convenience and comparison floorspace identified in Section 7.0 is sufficient to support a significant extension to the town centre. It is understood that the Council is in the process of acquiring the former Sainsbury's site at Ryecroft, which would present a suitable location for such a development.

11.22 The town centre boundary is extensive and it is recommended to be reviewed to incorporate the area within the ring road and town centre uses immediately adjacent to it. It is also recommended that the primary shopping frontage should be condensed and a secondary shopping frontage introduced to provide stronger guidance over the PSA.

Kidsgrove

11.23 Kidsgrove is the second largest retail destination in the Borough but has a limited comparison retail offer. The convenience offer in the centre is mainly independent retailers operating from small shop units with large-scale free-standing stores located outside of the centre. The centre is divided into two parts by a greenway and is constrained by steep topography, which limits the opportunities for expansion.

11.24 There is capacity for additional comparison floorspace, and some limited convenience retail expansion, which collectively could provide a substantial extension to the centre, although the form of any development should be carefully considered by the Council.

11.25 The town centre boundary is compact and it functions well in its existing form. Should development sites outside of the existing town centre boundary come forward to accommodate the identified capacity, a review of the town centre boundary will be necessary.

Appendix 1 Study Area (Household Survey)

Appendix 2 Household Survey Questionnaire and Raw Data Results

Appendix 3 In-Street Survey Questionnaire and Raw Data Results

Appendix 4 Borough Overview – Health, Town Centre Vitality and Viability Assessments

Appendix 5 Business Survey Questionnaire and Results

Appendix 6 Operator Demand Questionnaire and Results

Appendix 7 Analysis of Shopping Patterns and Retail Capacity

Appendix 8 Development Site Appraisals

Appendix 9 Current Town Centre Plans